



Macomb County Community Services Agency

Poverty Report

2007-08



Poverty and Need in Macomb County

An Analysis of Poverty and Need in Macomb County 2007-08 Update

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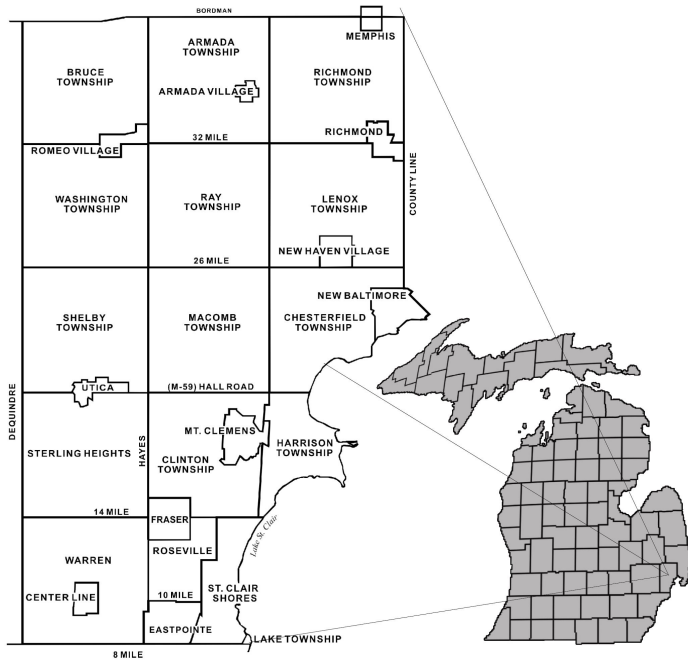
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Macomb County, Michigan



Macomb County is located in southeastern Michigan and comprises the northeastern portion of the Detroit Metropolitan Area. The county ranks third in population among the 83 counties in the state and, as of 2004 is 53rd out of 3,219 nationally. The estimated population as of July 1, 2007 was 848,068, representing an increase of 59,919 persons between 2000 and 2007. During that period, Macomb County added more residents than any other county in the region. It is projected that the population residing in Macomb County will reach 930,420 by the year 2030.

Macomb County encompasses a landmass of 482 square miles that includes a blend of urban, suburban and rural settings. Over half of the landmass in the county is farmland, parkland, woodland, wetland or grassland. Macomb County has 31 miles of shoreline on Lake St. Clair.

Macomb County is recognized as a leader in business and industry. It houses over 313,207 employees with Manufacturing accounting for 31 percent of the workforce, Service Industries for 33 percent, and Retail Trade for 21 percent. Macomb County enjoys that state's third highest county real estate value (state equalized value) at \$37 billion, or 8.7 percent of the total state value. It has received the highest rating from both Moody's Investment Service and Standard & Poor's.

There are over 138,000 K-12 students enrolled in 21 public school districts with an additional 13,500 students enrolled in private schools. There are several college options in Macomb County, including Macomb Community College, Baker College of Clinton Township and Davenport University.

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What Does It Mean to be Poor in America?

This question can be answered by statistics that provide a demographic profile of who is poor, or it can be answered through a description of the impact poverty has on a person's life — how they solve the fundamental issues of finding work, shelter, food, child care, health care and transportation. It can also be answered by comparing the circumstances of the poor and the not poor, to see the similarities and differences in their lives. Finally, it can be answered through the perceptions and views of our community, as being poor is also an issue of perception as well as circumstance.

In the following material, all these aspects will be examined in turn, as we look to find a comprehensive answer to this question. As we examine each facet, we will add, as much as possible, the specific demographics, impact, circumstances and perceptions of Macomb County, using Census data, economic data, and surveys. We believe this will add to our understanding of what it means to be poor in our community in America.

What is Poverty?

Somewhat surprising, there isn't a single official answer to this question. When looking to define poverty statistically, there are two official federal government versions: the poverty threshold and the poverty guideline.

Census Poverty Threshold

The poverty *threshold* is prepared by the U.S. Census Bureau. These figures are used in the statistical analysis and annual estimate of how many people are in poverty. These Census poverty figures calculate poverty based on income. The official Census poverty threshold calculations are divided into aged and non-aged household units. Table 1 provides a ranking of Michigan counties by the percent of persons in poverty, based on 1999 income collected in the 2000 Census. Table 2 provides similar information for Macomb County cities and townships.

Macomb County's poverty rate of 5.6 percent placed it eighth lowest among Michigan's 83 counties. While the overall rate was low, it was still the case that over 44,000 Macomb County residents qualified as poor on this measure.

A community analysis shows a wide range of socioeconomic health across the county. Mount Clemens was the highest, with a poverty rate of 14.1 percent, followed by Center Line (13.3 percent), Memphis city (11.3 percent), and Lenox township (10.1 percent).

While community-level poverty rates provide a picture of the socioeconomic characteristics of the population within each community, a separate analysis is necessary to identify the distribution of need across the county. By calculating the percent of the county's poor by community it is possible to determine where need is most concentrated. Table 2, which provides this calculation as well, shows that the City of Warren (with only a 7.4 percent poverty rate) contains 23 percent of the county's poor. When Sterling

Heights (14.7 percent) and Clinton township (12.5 percent) are added, just over half of the county's poor population is accounted for.

Table 1. Number and Percent of Persons Below Poverty by County

County	Persons in Poverty			County	Persons in Poverty	
	Number	Percent			Number	Percent
Isabella	11,687	20.4%		Mackinac	1,235	10.5%
Lake	2,072	19.4%		Kalkaska	1,708	10.5%
Houghton	5,563	16.8%		Sanilac	4,580	10.4%
Wayne	332,598	16.4%		Ontonagon	796	10.4%
Mecosta	5,960	16.1%		Alger	917	10.3%
Clare	4,918	16.0%		Presque Isle	1,469	10.3%
Luce	895	14.9%		Wexford	3,096	10.3%
Oceana	3,875	14.7%		Manistee	2,403	10.3%
Ingham	38,421	14.6%		Gratiot	3,837	10.3%
Oscoda	1,365	14.6%		Huron	3,645	10.2%
Gogebic	2,389	14.4%		Cass	4,987	9.9%
Ogemaw	2,983	14.0%		Bay	10,605	9.7%
Saginaw	28,603	13.9%		Delta	3,594	9.5%
Arenac	2,294	13.9%		Branch	3,979	9.3%
Gladwin	3,544	13.8%		Dickinson	2,452	9.1%
Genesee	56,480	13.1%		Jackson	13,417	9.0%
Montmorency	1,307	12.8%		Antrim	2,064	9.0%
Chippewa	4,167	12.8%		Kent	49,832	8.9%
Osceola	2,908	12.7%		Ionia	4,858	8.7%
Berrien	20,202	12.7%		Midland	6,818	8.4%
Crawford	1,756	12.7%		Hillsdale	3,709	8.2%
Keweenaw	274	12.7%		Tuscola	4,647	8.2%
Iosco	3,398	12.7%		Charlevoix	2,064	8.0%
Alcona	1,453	12.6%		Shiawassee	5,546	7.8%
Roscommon	3,107	12.4%		St. Clair	12,674	7.8%
Cheboygan	3,187	12.2%		Emmet	2,266	7.4%
Schoolcraft	1,036	12.2%		Allegan	7,639	7.3%
Kalamazoo	27,483	12.0%		Monroe	10,161	7.0%
Newaygo	5,471	11.6%		Benzie	1,103	7.0%
Menominee	2,855	11.5%		Otsego	1,563	6.8%
Muskegon	18,752	11.4%		Lenawee	6,340	6.7%
Iron	1,419	11.3%		Grand Traverse	4,490	5.9%
St. Joseph	6,900	11.3%		Eaton	5,948	5.8%
Calhoun	15,094	11.3%		Macomb	44,010	5.6%
Van Buren	8,334	11.1%		Oakland	65,478	5.5%
Baraga	896	11.1%		Barry	3,089	5.5%
Washtenaw	33,450	11.1%		Ottawa	12,655	5.5%
Mason	3,069	11.0%		Lapeer	4,654	5.4%
Montcalm	6,394	10.9%		Leelanau	1,128	5.4%
Marquette	6,592	10.9%		Clinton	2,963	4.6%
Missaukee	1,529	10.7%		Livingston	5,228	3.4%
Alpena	3,278	10.5%				

Table 2. Number and Percent of Persons Below Poverty for Macomb County MCDs

Community	Persons in Poverty		% of County		Community	Persons in Poverty		% of County
	Number	Percent				Number	Percent	
Armada twp	103	2.0%	0.2%		Mount Clemens	2,206	14.1%	5.0%
Bruce twp	333	4.1%	0.8%		New Baltimore	255	3.5%	0.6%
Center Line	1,099	13.3%	2.5%		Ray township	69	1.8%	0.2%
Chesterfield twp	1,765	4.7%	4.0%		Richmond twp	300	6.2%	0.7%
Clinton twp	5,500	5.8%	12.5%		Richmond twp	192	5.9%	0.4%
Eastpointe	2,174	6.4%	4.9%		Roseville	3,781	7.9%	8.6%
Fraser	639	4.2%	1.5%		St. Clair Shores	2,332	3.7%	5.3%
Harrison twp	1,396	5.7%	3.2%		Shelby twp	2,391	3.7%	5.4%
Lake twp	2	3.8%	0.0%		Sterling Hts	6,480	5.2%	14.7%
Lenox twp	727	10.1%	1.7%		Utica	316	7.0%	0.7%
Macomb twp	1,038	2.1%	2.4%		Warren	10,112	7.4%	23.0%
Memphis	92	11.3%	0.2%		Washington twp	708	3.7%	1.6%

Health & Human Services Poverty Guidelines

The poverty *guideline* is the other official version of poverty that is commonly available. These figures are calculated each year by the U.S. Department of Health & Human Services (HHS), and published annually in the Federal Register. The guideline is a simplification of the Census poverty thresholds. The HHS poverty guidelines are regularly used to determine financial eligibility for government programs such as Head Start or Food Stamps. HHS poverty guidelines differentiate by size of household and have higher income levels for Alaska and Hawaii. (The Census poverty threshold doesn't make this geographic distinction.) The 2007 HHS Poverty Guidelines are found in Table 3.

Table 3. Health & Human Services 2007 Poverty Guidelines

Size of Family Unit	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$10,210	\$12,770	\$11,750
2	13,690	17,120	15,750
3	17,170	21,470	19,750
4	20,650	25,820	23,750
5	24,130	30,170	27,750
6	27,610	34,520	31,750
7	31,090	38,870	35,750
8	34,570	43,220	39,750
For each additional person, add	3,480	4,350	4,000

Source: *Federal Register*, Vol. 72, No. 15, January 24, 2007, pp. 3147–3148

Finally, although not specifically called a poverty guideline, eligibility for government funded housing programs is based on *area median family income* figures, also calculated by

the U.S. Census. Households are classified as *low income* if household income for the family size is at or below 80% of median income, and *very low income* if household income for the family size is at or below 50% of median income. The 2007 Housing & Urban Development (HUD) area median family income for Macomb County, which is a figure used for all counties in the Detroit-Warren-Livonia, MI HMFA¹, is \$66,700. Table 4 sets out the 2007 HUD Low and Very Low Family Median Income (FMI) limits for Macomb County and family size.

Table 4. HUD 2007 Low & Very Low Family Median Income Limits

Family Size	80% FMI	50% FMI
1 person	\$39,150	\$24,450
2 persons	\$44,750	\$27,950
3 persons	\$50,350	\$31,450
4 persons	\$55,900	\$34,950
5 persons	\$60,400	\$37,750
6 persons	\$64,850	\$40,550
7 persons	\$69,350	\$43,350
8 persons	\$73,800	\$46,150

Source: U.S. Dept. of Housing and Urban Development, FY 2007
(http://www.huduser.org/Datasets/IL/IL07/mi_FY2007.pdf)

Basic Needs Calculations

Another method used to define poverty is to answer the question, “What does it cost to cover the basic, no frills, needs of a household?” A family is considered poor if the household income is below this basic needs budget. Calculations on what can be included in a basic needs budget come from a variety of national and state sources. For example, the Michigan League for Human Services² includes in its basic needs calculation, Housing, Utilities, Transportation, Food, Health Care, Child Care, Clothing/household supplies and Taxes as necessary budget items. The formula for calculating the cost of each item is described below.

Housing. The fair market rent for apartments are set each year by the U.S. Department of Housing and Urban Development (HUD), based on prior year data on market rate rents in the local area. These are called “fair market rents” (FMR) and are set by the number of bedrooms in the apartment. The FMR is set at the 40th percentile of rents in the area³ and includes both shelter costs and utility costs (except for telephone service).

¹ MSA sub-areas, and the remaining portions of MSAs after sub-areas have been determined, are referred to as HUD Metro FMR Areas (HMFAs) to distinguish these areas from OMB’s official definition of MSAs.

² “Economic Self-Sufficiency in Michigan,” published in May 2007 by the Michigan League for Human Services, provided baseline information for constructing the basic needs budget for Macomb. The calculations of the individual budget components in this report differ somewhat based on the sources used. As there is no universal method of calculating a “basic needs budget,” it is recommended that users consult a range of alternate sources.

³ The 40th percentile denotes the level at which the cost of 40 percent of rental housing in the area [in Macomb County’s case it is the 6-county Detroit PMSA] is lower and 60 percent is higher.

The FMR for a one-bedroom unit is used to calculate the housing costs for a single individual, and a two-bedroom FMR is used for a single parent with two children and a two-parent family with two children. For FY2005, the FMR for a one-bedroom apartment in Macomb County was \$670, up from \$663 in FY2004, while the FMR for a two-bedroom apartment is \$805, up from \$801 in FY 2004. Table 5 provides the full range of FY 2005 fair market rents, by number of bedrooms, for Macomb County.

Table 5. HUD 2007 Fair Market Rents

0 Bedrooms	\$582	3 Bedrooms	\$948
1 Bedroom	\$663	4 Bedrooms	\$978
2 Bedrooms	\$793		

Source: U.S. Dept. Housing and Urban Development, FY 2007

Food. The U.S. Department of Agriculture (USDA) calculates a low cost food plan⁴, adjusting it each year for the cost of living increases from the Consumer Price Index (CPI). In June 2007, the low cost food plan cost for a family of one adult (female 20-50 years of age) and two children, under age 5, was \$4,693 annually or \$391.10 a month. When the family consisted of a couple (both 20-50 years of age) and two children less than 5 years of age, the amounts rose to \$7,096 and \$591.30, respectively.
(<http://www.cnpp.usda.gov/Publications/FoodPlans/2007/CostofFoodJun07.pdf>)

Utilities. According to the Department of Labor's 2005 Consumer Expenditures Survey, utility costs are one of the most volatile expenditures in consumers' budgets. Using the 2005 Survey (the most recent published), and adjusting it to 2007 dollars using CPI, one finds that consumer households with income in the lowest 20% nationally spent an average of \$2,032 annually on utility, fuels and public services costs. This averages \$169.29 per month. As this is already accounted for in the fair market rent, we do not add it to the budget but provide it for informational purposes only.

Transportation. The transportation costs are based on the cost of owning and operating a car – the assumption being that families own a private vehicle, since access to adequate public transportation is limited in most areas of Macomb County, and the rest of the state. Costs per mile are from the IRS cost per mile rate of 48.5 cents for 2007. This includes the cost of gas, insurance, registration and licensing, vehicle maintenance and depreciation. While specific values for the number of miles driven by families for work and work-related expenses are not available, data from the U.S. Department of Transportation's 2001 National Household Travel Survey produce an estimate of 833 miles per month (10,000 miles per year) for work and family needs for a single person, a

⁴ The official source of this information is the Low-Cost Food Plan of the U.S. Department of Agriculture's Cost of Food at Home. The Low-Cost Food Plan was selected as the basis for this budget because it corresponds to the spending patterns of the bottom one-third of income groups. According to the Dept. of Agriculture, the plan provides for a nutritious diet using generic and less expensive foods. It does not include the cost of "convenience food" items such as TV dinners, canned soups, frozen pizzas, or other items that do not require preparation.

single-parent family and a two-parent family in which only one parent is working, and 968 miles per month (11,617 per year) for a two-parent family in which both parents work. Utilizing the 2007 IRS mileage rate, the costs work out to \$404.01 monthly (\$4,848 per year), and \$469.48 monthly (\$5,634 per year), respectively.

Health Care. Health care expenses in the 2005 Consumer Expenditure Survey for the lowest 20% income households, and adjusted by the CPI, are \$1,542 annually or \$128.48 monthly. This figure includes the cost of health insurance premiums (if available), prescriptions and nonprescription drugs, medical services and medical supplies not covered by health insurance.

Clothing/Household/Personal/Phone. The calculation of an average annual cost of \$4,788 (\$399 monthly) for a household with income in the bottom 20% of households comes from combining expenditures for clothing, personal care products and services, and housekeeping supplies/household necessities, in the 2005 Consumer Expenditure Survey, adjusted by the current CPI.

Child Care. The Michigan League for Human Services, in its 2007 Economic Self-Sufficiency report, base their childcare costs on the 2006 Provider Survey by the Michigan Community Coordinated Child Care Association. The costs reflect average full-time (45 hours per week) day care costs, as reported by providers in childcare centers, group family day care and family day care homes for all age groups. The childcare cost estimate assumes all children are not of school age and therefore require full-time childcare. Childcare costs across the state average \$534 per month for each child. Costs vary by the type of childcare the family chooses.

Taxes⁵. Federal, state, and payroll taxes are estimated based on a family's income, and reflect receipt, when applicable, of the federal Child and Dependent Care Tax Credit, the federal Earned Income tax Credit (EITC), and the federal Child Tax Credit. Taxes include federal personal income, federal Social Security and Medicare payroll, and state income taxes. City income taxes are not included in the estimates because many Michigan residents do not pay city tax. Michigan's six percent sales tax is also not included.

Utilizing the above calculations we can develop a basic needs monthly budget for Macomb County residents (see Table 6).

⁵ Background information and tax calculations reported here utilize data provided by the Michigan League for Human Services in their report, "Economic Self-Sufficiency in Michigan," published in May 2007.

Table 6. Building a Basic Needs Monthly Budget for Macomb County

Need Item	Macomb County
Housing/Utilities (2 Bedroom)	\$793.00
Food	\$391.10
Telephone	\$30.00
Transportation	\$404.00
Health care	\$128.48
Clothing/Household Supplies	\$399.00
Child care (2 children)	\$1,239.00
Taxes	\$432.00
<i>Monthly Cost</i>	<i>\$3,816.58</i>
<i>Annual Cost</i>	<i>\$45,798.96</i>

The Michigan League for Human Services, in their report, “Economic Self-Sufficiency in Michigan,” provides a similar budget for Macomb County, but breaks it out by household composition. Table 7 data are taken directly from the report.

Table 7. Michigan League for Human Services Basic Needs Monthly Budget for Macomb County

Basic Needs	Single Person	Single Parent	Two parents (both working)	Two parents (one working)
Housing	\$663	\$793	\$793	\$793
Food	\$213	\$390	\$559	\$559
Child care	na	\$1,239	\$1,239	na
Health Costs	\$148	\$214	\$246	\$246
Transportation	\$347	\$347	\$431	\$347
Clothing, Household, Personal & Phone	\$166	\$342	\$399	\$399
Taxes	\$354	\$432	\$426	\$66
<i>Monthly Cost</i>	<i>\$1,891</i>	<i>\$3,757</i>	<i>\$4,093</i>	<i>\$2,410</i>
<i>Annual Cost</i>	<i>\$22,692</i>	<i>\$45,084</i>	<i>\$49,116</i>	<i>\$28,920</i>

A comparison of the two shows an extremely close correspondence between the initial overall basic needs budget and the League’s calculation for a single person with 2 young children. It is the latter that will be used

Comparing the official HHS poverty guideline budget with the pre-tax Basic Needs budget (see Table 8), clearly demonstrates that the amount of income needed to bring a family out of poverty is closer to 250%, and, in the case of single parent families – 265%, than 100% of the HHS poverty guideline.

Table 8. Federal Poverty Guideline 2007 Compared to Basic Needs Budget

	HHS Poverty Guideline at 100% for Family Size	Basic Needs Budget for Family Size (Macomb County)	Basic Needs Budget as Percentage of Poverty Guidelines
Single parent / 1 child	\$13,690	\$36,264	265%
Single parent / 2 children	\$17,170	\$45,084	263%
Two parents / 1 child	\$17,170	\$40,296	235%
Two parents / 2 children	\$20,650	\$49,116	238%

[Recent, and forecast, demographic trends in Macomb County will be introduced throughout this report and discussed with regard to their implications for the county's poverty population and resulting need for services. We begin with population, vital statistics and age trends.]

Population Trends

Population change occurs in any geographic area as a result of two major components:

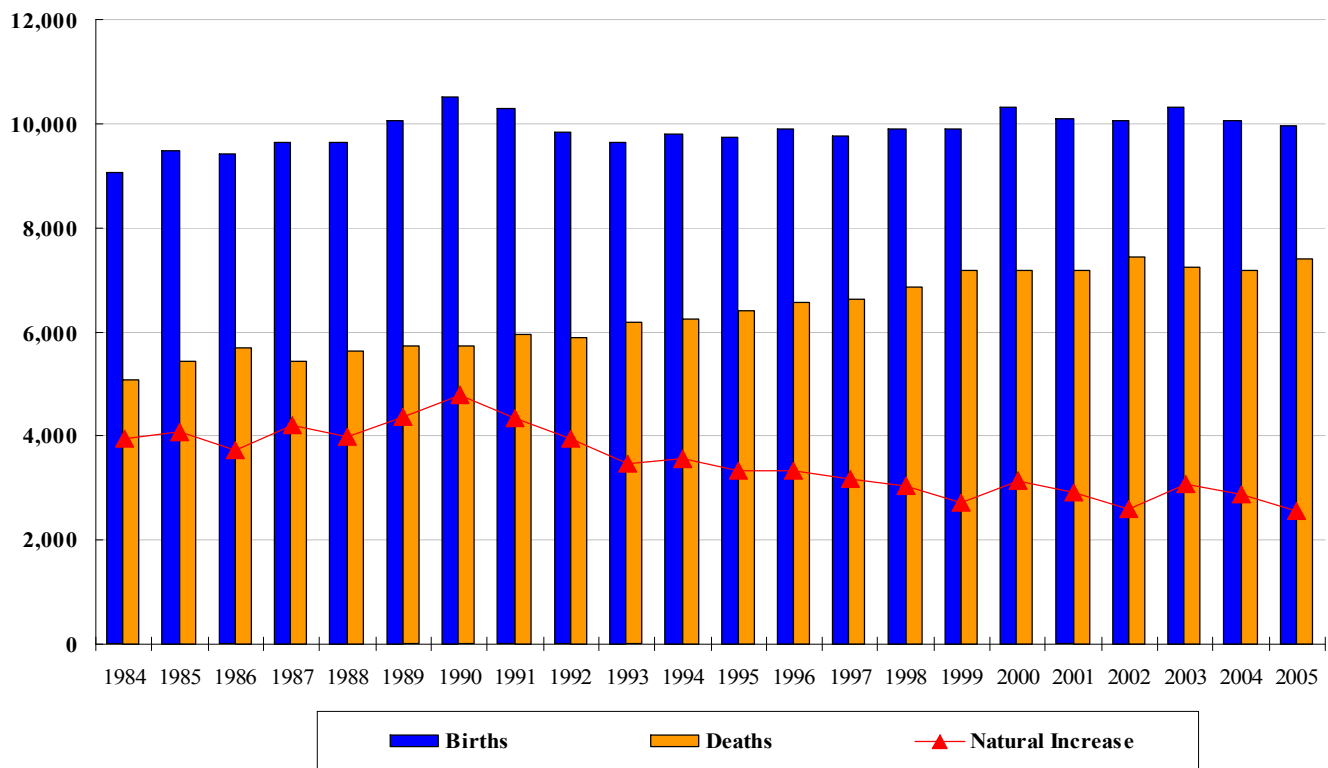
1. Natural Increase – The number of births minus the number of deaths
2. Net Migration – Domestic Migration – International Migration

During the 1990s, Macomb County found itself to be a net out-migrant county as it lost 7,170 more domestic migrants than it gained. Out-migrants moved to other parts of the Detroit region, elsewhere in Michigan and other parts of the country. These migrants tended to be primarily retirees, with smaller numbers of younger, college-educated individuals looking for employment opportunities in other metropolitan areas. Most of this loss – 6,024 - was made up for by international migrants coming to the county to live.

Since 2000, Macomb County has become a net in-migrant county on both the domestic and international side, although the cumulative effects of the economic downturn resulted in the first domestic migration loss between 2005 and 2006. Between 2000 and 2006, the county added 13,183 domestic migrants and 13,525 international migrants. Much of the domestic gain can be attributed to Oakland County residents relocating to Macomb (primarily to communities north of M-59) for new housing and lower taxes, and Wayne County residents, primarily from Detroit, relocating to communities on the southern end of the county (Warren, Eastpointe, Fraser, etc.), for better schools, lower crime, and lower tax and insurance rates. The result of these migration trends, coupled with natural increase (see below), resulted in Macomb County outdistancing all other Michigan counties in growth during the first six years of this decade.

As stated above, natural increase is the difference between births and deaths. The late 1980's and early 1990's represented the period of greatest increase. Births were at a high point (highest in 1990) and deaths were relatively low. The number of annual births fell during the 1990's but broke through the 10,000 mark again in 2000 (first time since 1991), and has stayed there through 2003. However, due to the aging of the population, resulting in increasing numbers of deaths, the rate of natural increase has changed very little over this time, with a slight jump between 2002 and 2003. Since 2003, Macomb has once again experienced decreasing births and a great deal of variation in the number of deaths. The result has been a continuation of decreasing gains from natural increase in both 2004 and 2005.

Figure 1. Births, Deaths and Natural Increase in Macomb County, 1984-2005



Source: MI Dept of Community Health

While the components of natural increase are interesting to track as a way of understanding population shifts within the county, a further analysis of the characteristics of these components can assist in the identification of current and future service needs. A study of mortality trends (too complex for the current study) will help to point out health care needs at various ages across the lifespan. Infant mortality trends point to issues of maternal care and health outreach. The study of death rates by disease type will point out areas where Macomb County may differ from the norm, leading to the design of programs to address the causes. If such deaths are viewed as preventable, programs of in-house support, assistance with medication, transportation assistance, etc. may be identified as necessary. Finally, trends in deaths by accident, suicide and homicide and other “preventable” causes need to be identified early and dealt with.

The Annie E. Casey Foundation published for the first time in 1999 a report entitled *The Right Start: Conditions of Babies and Their Families in America's Largest Cities*. In introducing this report, and those that have followed, the Foundation stated: “The circumstances and conditions under which a baby is born have lifelong implications. A child whose mother receives little or no prenatal care is far more likely to experience chronic health problems than other children whose mothers did receive prenatal care. A woman who smokes or drinks during pregnancy may visit long-term damage on the children she bears. An infant born into a family that is poor faces a considerably greater risk of not reaching his or her full potential.”

The following chart examines several of the measures that Casey has used to understand the circumstances and conditions under which babies are being born in Macomb County, over the period 2000 through 2005. It is these conditions that can point to potential problems down the road.

Table 9. Birth Characteristics of Macomb County Mothers and Children, 2000 – 2005

	Less than high school	Unmarried	Smoked	Low Birthweight
2000	11.2	20.1	17.0	6.8
2001	11.4	20.7	15.8	7.3
2002	11.2	20.5	14.6	7.6
2003	11.2	21.9	14.1	7.8
2004	11.6	23.3	14.1	7.4
2005	11.8	24.1	11.8	8.3

Source: MI Dept. of Community Health

Table 9 shows that the percent of births to women without a high school diploma has remained consistently around 11 percent, with a slight increase over last two years. This is less than the state average of 17 percent, and between Wayne County’s 24 percent and Oakland County’s rate of 8 percent. The share of births to unmarried women has jumped 4 percentage points over the last five years, particularly since 2002, and stands at slightly less than 1 of every 4 births. The incidence of the mother smoking during pregnancy has shown a consistent decrease, while the incidence of low birthweight has increased slightly. It is most important that these factors be monitored at the community level because variations are bound to occur in conjunction with race/ethnicity and socioeconomic status. County trends must be addressed by focusing on areas of greatest need.

Aging Trends

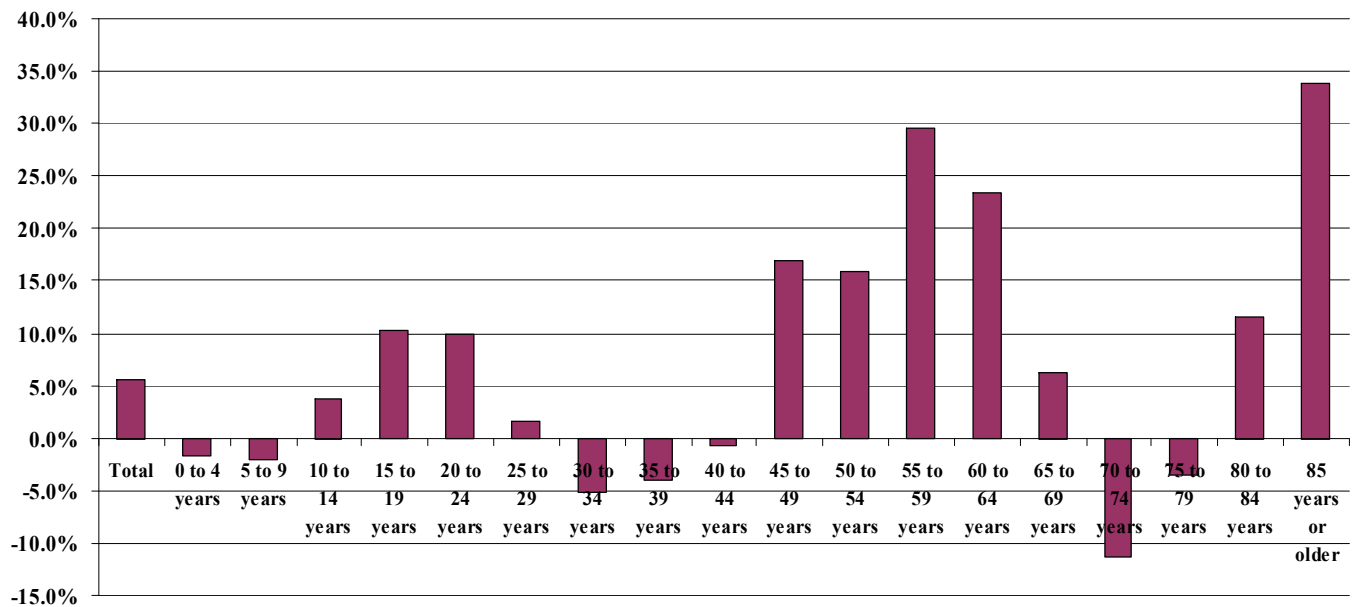
Macomb County’s population is aging, a fact that will have wide reaching consequences for future service delivery needs. Recently released Census Bureau age estimates for 200, reveal that the majority of growth in the county is coming in the age cohorts of 45 years and above (see Table 10 and Figure 2). As far as the senior population is concerned, while the 65 through 79 year cohorts showed little change or a loss (due to lower cohorts born during the depression and pre-World War II period), the 85 years and over cohort showed the largest percentage increase of any, while the 80-84 year cohort also experienced growth. The large growth of the 55-59 and 60-64 year cohorts show that a very large wave of residents will be joining the “senior” cohort over the next 10 – 15 years.

Table 10. Population by Age Estimates for Macomb County, 2000 - 2006

	2000 Census	Population Estimates							2000 - 06 Change	
		7/1/00	7/1/01	7/1/02	7/1/03	7/1/04	7/1/05	7/1/06	Number	Percent
Total	788,149	791,032	800,837	808,509	815,694	823,313	828,950	832,861	44,712	5.7%
0 to 4 years	51,062	51,161	51,292	51,049	50,931	51,095	50,801	50,183	-879	-1.7%
5 to 9 years	54,125	54,001	53,817	53,723	53,627	53,508	53,098	53,007	-1,118	-2.1%
10 to 14 years	53,865	54,156	55,230	55,958	56,304	56,701	56,452	55,942	2,077	3.9%
15 to 19 years	48,685	48,922	49,517	50,251	50,980	51,684	52,843	53,690	5,005	10.3%
20 to 24 years	44,772	45,199	47,343	48,538	48,964	49,020	49,434	49,210	4,438	9.9%
25 to 29 years	54,689	54,387	52,852	51,818	52,643	53,790	54,336	55,546	857	1.6%
30 to 34 years	61,025	61,155	62,217	62,784	62,364	61,430	60,113	57,811	-3,214	-5.3%
35 to 39 years	66,185	66,032	65,293	64,321	63,548	62,954	62,771	63,473	-2,712	-4.1%
40 to 44 years	66,318	66,599	67,468	67,765	67,441	67,364	66,976	65,899	-419	-0.6%
45 to 49 years	57,616	58,092	59,979	62,025	63,839	65,484	66,690	67,359	9,743	16.9%
50 to 54 years	50,645	51,274	53,802	53,432	54,214	55,521	56,995	58,723	8,078	16.0%
55 to 59 years	40,135	40,498	41,339	44,421	45,521	47,172	49,617	52,010	11,875	29.6%
60 to 64 years	31,376	31,585	32,176	33,451	35,765	37,267	38,022	38,731	7,355	23.4%
65 to 69 years	28,012	27,969	27,670	27,760	28,338	29,125	29,338	29,774	1,762	6.3%
70 to 74 years	27,968	27,972	27,789	27,114	26,124	25,499	25,146	24,791	-3,177	-11.4%
75 to 79 years	23,825	23,900	23,801	23,803	23,813	23,387	23,225	22,985	-840	-3.5%
80 to 84 years	15,957	16,098	16,575	17,004	17,242	17,857	17,987	17,814	1,857	11.6%
85 years or older	11,889	12,032	12,677	13,292	14,036	14,455	15,106	15,913	4,024	33.8%

Source: Census Bureau

Figure 2. Percent Change by Age Cohort for Macomb County, 2000 - 2006



Source: Census Bureau

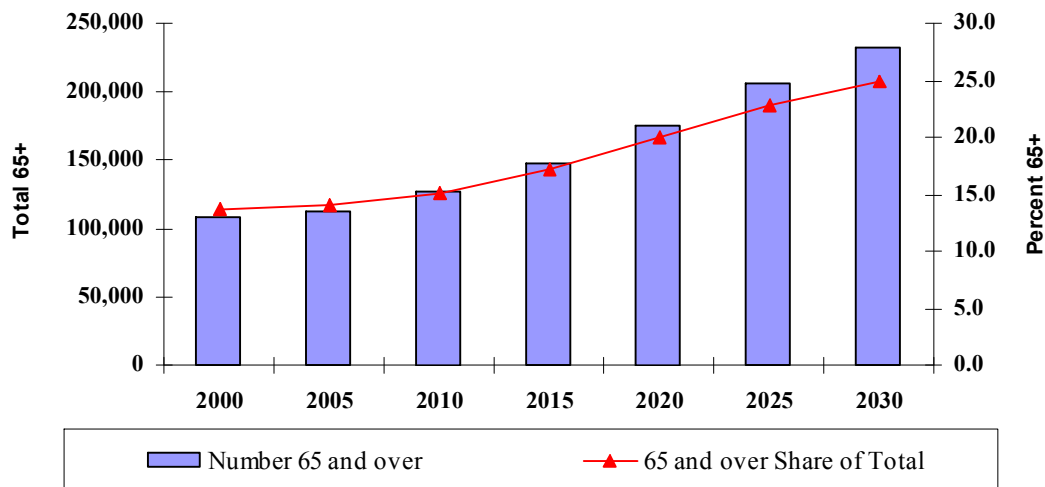
The Southeast Michigan Council of Governments (SEMCOG) produces population forecasts that are utilized for transportation planning purposes. Their forecast for Macomb County is represented in the following table. These data truly illustrate the need to begin planning for an aging population. While the forecast does not allow us to look at age detail to the same degree that the previous estimates did, we are able to see the rapidly increasing senior (65 years+) population that is forecast for the county.

Table 11. Population by Age Forecast for Macomb County, 2000 – 2030

	2000	2005	2010	2015	2020	2025	2030
Total	788,149	810,096	836,020	858,335	882,410	907,554	930,420
0 - 4 years	51,060	51,246	53,075	53,969	54,028	54,769	56,051
5 - 17 years	138,723	136,993	133,431	133,184	135,633	138,237	139,578
18 - 34 years	178,438	177,439	179,677	185,057	184,922	184,690	185,392
35 - 64 years	312,277	331,302	343,291	338,761	331,866	323,438	316,865
65 years+	107,651	113,116	126,546	147,364	175,961	206,420	232,534
0 - 4 years	6.5	6.3	6.3	6.3	6.1	6.0	6.0
5 - 17 years	17.6	16.9	16.0	15.5	15.4	15.2	15.0
18 - 34 years	22.6	21.9	21.5	21.6	21.0	20.4	19.9
35 - 64 years	39.6	40.9	41.1	39.5	37.6	35.6	34.1
65 years+	13.7	14.0	15.1	17.2	19.9	22.7	25.0

Source: Southeast MI Council of Governments (SEMCOG)

Figure 3. Macomb County's Senior Population, 2000 - 2030



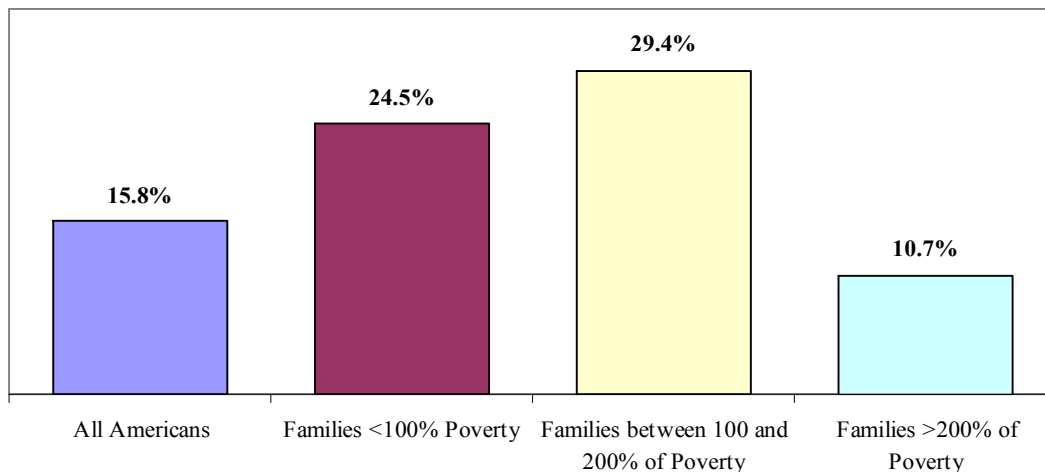
Source: Southeast MI Council of Governments (SEMCOG)

Hardship in Meeting Needs Below 200% of Poverty

Data from surveyed households in the National Survey of American Families (NSAF)⁶ show that those living below 200% of poverty have a significantly greater difficulty in meeting essential expenses when compared to either those households below 100%, or over 200%, of poverty. This is consistent with the household expense data setting the realistic basic needs budget at roughly 200% of poverty.

Critical hardships in meeting basic needs are found in three areas: food sufficiency, adequate housing and health care coverage. The NSAF, which surveys households in thirteen states, including Michigan, shows there is evidence that households below 200% of poverty suffer more critical hardships than do either those below 100% or poverty or those above 200% of poverty. In this survey, families are asked, among many other questions, whether in the last 12 months anyone in the household: 1) missed meals because there was not enough money for food; 2) moved in with other people because they could not afford mortgage, rent or utility bills, or 3) did not get, or postponed getting, needed care or surgery. In analyzing the responses to these questions, those households with income between 100% and 200% of poverty were most likely to suffer one or more of these critical hardships.

Figure 4. Percent of Households Reporting One or More Critical Hardships



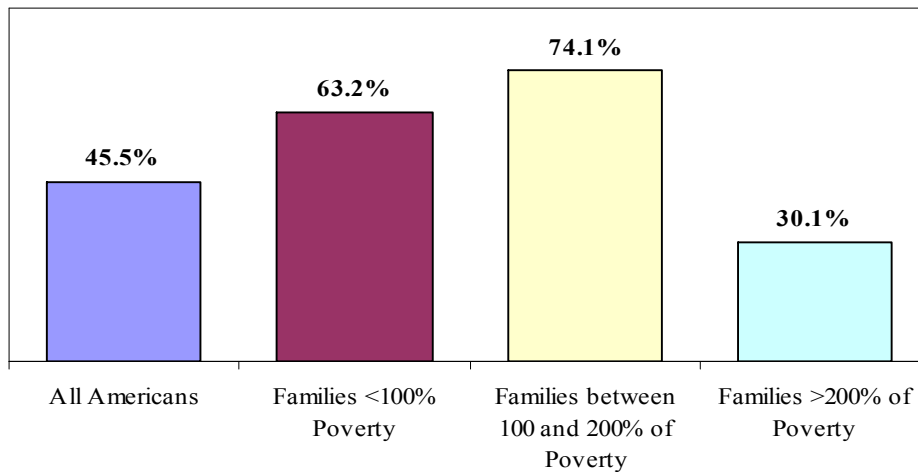
Source: Economic Policy Institute analysis of 1997 NSAF data. *Hardships in America, 2001:* Boushey, Heather, et al.

When examining a set of less critical hardships, but still serious deprivations for families, the NSAF data again shows that families living below 200% of poverty level are more likely to have one or more significant hardships than those living above 200% or those living below 100% of poverty. “Significant hardship” in the survey data examined was

⁶ The survey is representative of the noninstitutionalized, civilian population of persons under age 65 in the nation as a whole and in 13 states: Alabama, California, Colorado, Florida, Massachusetts, Michigan, Minnesota, Mississippi, New Jersey, New York, Texas, Washington, and Wisconsin. Together, these states are home to more than half the nation's population and represent a broad range of state characteristics in terms of fiscal capacity, child well-being indicators, and approaches to government programs.

defined as: 1) Worried about having enough food; 2) Emergency room is main source of health care; 3) Have no health insurance coverage; 4) Unable to make housing or utility payments; 5) Telephone disconnected; 6) Child cares for self; 7) Child not in after-school activities; or, 8) Inadequate adult-to-child ratio at child-care facility used.

Figure 5. Percent of Households Experiencing Serious Hardships, by Income Level



Source: Economic Policy Institute analysis of 1997 NSAF data. *Hardships in America, 2001:* Boushey, Heather, et al.

2002 Hardship Update⁷

Preliminary analysis of 2002 survey results indicates that about half of low-income parents reported some food hardship in 2002. Although the strong economy helped ease food hardship among low-income parents between 1997 and 1999, that gain was erased over the succeeding three years. Housing hardship among all parents did not diminish between 1997 and 2002, even though overall family income improved somewhat. Moreover, low-income single parents reported significant increases in housing hardship, particularly between 1999 and 2002. These findings reflect the difficulties parents have in stretching their incomes to cover the food and housing needs of their families, especially when the economy is weak and housing costs are rising.

The share of parents living in poor and low-income families dropped significantly between 1997 and 2002⁸. In 1997, 13.9 percent of parents were living in families with incomes below the federal poverty thresholds, but by 2002 that share had fallen to 10.5

⁷ The 1997, 1999, and 2002 rounds of the National Survey of America's Families (NSAF) asked adults under age 65 if they or anyone else in their families had worried that food would run out before they got money to buy more, had actually run out of food, or had eaten less or skipped meals because there wasn't enough money to pay for food. Families that experienced one or more of these situations in the previous 12 months were considered to have food hardship. In addition, the survey asked whether adults had been unable to pay their mortgage, rent, or utility bills at any time during the previous 12 months.

⁸ Macomb County experienced an increase in poverty between 1999 (2000 Census) and 2002 (American Community Survey). The poverty rate for all persons increased from 5.6 to 7.3 percent. The 2003 ACS estimates a drop back to 6.1 percent. These data will be discussed later in this report.

percent. Similarly, 34.4 percent of parents were living in low-income families in 1997, but by 2002 only 29.3 percent were. Both single and married parents experienced declines in poverty and low-income status between 1997 and 2002. Still, the majority of single parents were in low-income families in 2002, compared with less than one-quarter of married parents.

Food hardship declined among single and married parents alike between 1997 and 2002. This finding generally tracks the trends reported by the U.S. Department of Agriculture (USDA) for adults and households with children. Most of the decline in food hardship found by the NSAF occurred between 1997 and 1999; the measure did not change significantly for either group of parents between 1999 and 2002.

For low-income parents, the pattern was different. Overall, the share reporting one or more food-related problems declined between 1997 and 1999 but rose again after 1999. Hardship is generally more pervasive among single parents than married parents, however, reflecting the difference in number of adults contributing to family income. Nearly 60 percent of single low-income parents reported some food hardship in 2002, while less than half of married low-income parents did. Although both groups reported declines in food hardship from 1997 to 1999, single low-income parents saw no significant change between 1999 and 2002, whereas married parents saw food hardship rise again to the 1997 level.

Housing hardship was unchanged between 1997 and 2002, regardless of income. In all three years, about 15 percent of all parents and 28 percent of low-income parents reported having experienced housing hardship in the previous 12 months. Marital status made a difference in low-income families' experience of housing hardship. More than one-third of single low-income parents reported housing hardship in 2002, compared with less than one-quarter of their married counterparts. Moreover, hardship rose among single low-income parents, from 32.0 percent in 1997 to 35.4 percent in 2002, while it fell among married low-income parents, from 25.8 percent in 1997 to 23.1 percent in 2002. Most of the increase in housing hardship among single parents occurred between 1999 and 2002.

Food and housing hardship are important indicators of well-being. Patterns in these indicators drawn from the three rounds of the NSAF indicate that food hardship among low-income parents is likely to increase during weaker economic times. Housing hardship rates appear less sensitive than food hardship rates to economic fluctuations overall, but housing hardship increased for single parents during the recent downturn. Low-income single parents are especially vulnerable to food and housing hardship because their wages must cover all of their families' costs - a difficult feat with one paycheck.

What do these numbers mean in Michigan and in Macomb County?

The 2000 Census reported that Michigan's poverty rate was almost 2 percentage points below the national average, while Macomb County's rate was just over half that of the State. The Detroit MSA rate was slightly higher than that of the State and, thus, almost double that of the county, due primarily to the high rate of poverty (16.4 percent) in the metro area's largest county – Wayne. While the percentage of persons below 200% of poverty (somewhat less than the basic needs budget delineated earlier) in Macomb County shows an increase (2.9 times) over the 100% rate that is larger than any of the other areas, the result, 16.3 percent, is still significantly less than that of the nation, state or metropolitan area.

Table 12. Total Persons at 100% and 200% of Poverty

	United States	Michigan	Detroit MSA*	Macomb County
Total Population	273,882,232	9,700,622	4,383,962	779,440
Number at 100% of Poverty	33,899,812	1,021,605	469,575	44,010
Percent - 100%	12.4%	10.5%	10.7%	5.6%
Number at 200% of Poverty	81,194,609	2,468,283	1,042,167	127,104
Percent - 200%	29.6%	25.4%	23.8%	16.3%

* Detroit MSA is comprised of Lapeer, Macomb, Monroe, Oakland, St. Clair and Wayne counties.

Source: 2000 Census: SF3

While no comparable data are available for Macomb County⁹, separate analyses of data from the Census Bureau's Current Population Survey show increases in the poverty population at both the national and state level. National rates for 2002¹⁰ indicated a 670,000 person increase in the poverty population, though the rate was reported at 12.1 percent. The number of persons below 200% of poverty rose by almost 6 million and the rate increased to 30.5 percent. An analysis by Michigan's Family Independence Agency¹¹ calculated that 145,000 more Michigan residents were below the poverty threshold in 2002, increasing the rate to 11.6 percent, and that almost 500,000 more residents had incomes below 200% of poverty, with the resultant rate rising to 29.3 percent.

⁹ The Census Bureau began conducting the American Community Survey (ACS) in Macomb County in 2000. While the methodology differs from the Current Population Survey (CPS), and limited data are available at 200% of poverty, the results do reflect a significant increase in the number and percent of people in poverty between 2000 and 2005 (see Table 12 and accompanying text).

¹⁰ CPS numbers tend to run slightly lower than those of the Census and thus cannot be directly compared. While the Census recorded a 12.4% poverty rate based on 1999 income, CPS reported an 11.8% poverty rate. (<http://ferret.bls.census.gov/macro/032003/pov/toc.htm>)

¹¹ 2002 Michigan Poverty Profile
(http://www.michigan.gov/documents/FIARptPovProfile02_94043_7.pdf)

Table 13. Macomb County Residents at 100% of Poverty by Age and Relationship

	2002	2003	2004	2005
Individuals	7.3%	6.0%	6.7%	8.6%
18 years and over	6.5%	5.4%	5.5%	7.6%
65 years and over	8.0%	6.1%	5.9%	7.6%
Related children under 18 years	9.6%	7.8%	10.5%	11.5%
Related children under 5 years	10.8%	8.4%	9.5%	13.6%
Related children 5 to 17 years	9.2%	7.7%	10.9%	10.7%
Unrelated individuals 15 years and over	14.4%	12.4%	14.9%	17.0%

Source: Census Bureau: American Community Survey

Table 13, which details data from the American Community Survey, illustrates the increasing rate of poverty in Macomb County – particularly the spike between 2004 and 2005. An analysis of more detailed data that look at income as a ratio of poverty also supports increasing need across the income spectrum.

- ❖ *While the American Community Survey estimates the poverty population in Macomb County increased from 44,000 (5.6%) in 1999 (2000 Census) to almost 71,000 (8.6%) in 2005, the number of residents at 200 percent of poverty or below grew from 127,000 (16.3%) to 173,000 (21.1%) in 2005. In other words, at least 1 out of every 5 Macomb County residents was living well below a subsistence level in 2005. Since the subsistence is closer to 250% of poverty, and other indicators point toward increasing need continuing since 2005, we can estimate that this ratio may indeed be closer to 1 in 4 in 2007.*

Public Benefits and Poverty

According to September 2002 Michigan Family Independence Agency statistics, 30,837 persons received public assistance income in Macomb County during the year ending in September 2002. This translates to 3.8 percent of Macomb's total population. While the county's population increased by 2.1 percent between 2002 and 2004,¹² the number of persons receiving public assistance income in September 2004 increased by 50.7 percent to 46,467¹³. The resultant rate of public assistance receipt rose to 5.7 percent. The average number of Macomb County residents on the public assistance roles grew to 60,086 as of September 2006 and averaged 56,014 for FY'06. This represented 6.7 percent of all Macomb County residents.

¹² Population estimates utilized for this analysis are produced by the Southeast Michigan Council of Governments (SEMCOG). They can be downloaded from the website – www.semco.org.

¹³ Data are derived from annual Program Statistics report produced by the Michigan Family Independence Agency. (http://www.mi.gov/documents/PUB170-2004_111735_7.pdf) These numbers are taken from Table 4.

Food stamp participation numbers evidences the clearest indication of increasing need in Macomb County. Table 14 shows the steady increase in Macomb County households and persons participating in the state's food assistance program over this decade. The number of households has increased by 153 percent over the last five years, while the number of individuals has increased by 165 percent. The FY-06 average of 55,356 individuals receiving food stamps is very close to the 2005 estimate of residents falling below 200 percent of poverty. The dollar amount received by Macomb County food stamp participants has increased by 249 percent over the period.

Table 14. State Food Assistance Program Participation by Macomb County Residents, 2001 -06

	FY'01	FY'02	FY'03	FY'04	FY'05	FY'06	2001 - 2006 Change	
Households	10,225	13,577	16,101	19,571	22,999	25,883	15,658	153.1%
Persons	20,850	28,435	34,478	42,447	49,217	55,356	34,506	165.5%
Annual Expenditures	\$17,364,440	\$24,601,291	\$33,159,683	\$40,673,457	\$52,291,287	\$60,624,267	\$43,259,827	249.1%

Source: Michigan Dept. of Human Services

In order to better understand the geographic nature of this increasing need, the Macomb office of the Michigan Department of Human Services was contacted. While they were unable to provide data by ZIP Code, they were able to report data out by their three services areas – Mt. Clemens, Sterling Heights and Warren, which are built from ZIP Codes. A map that delineates the areas and locates the offices in each is found in the Appendix.

Unfortunately the data provided only covered the most recent year of data, with the points of comparison being June 2006 and June 2007. Nevertheless, the data clearly show that over the last year, increased need was equally in evidence in all three areas, with the northern region showing slightly less overall need.

Table 15. State Food Assistance Program Participation by Macomb County District

	June 2006	June 2007	2006-07 Change	
			Number	Percent
Households				
County Total	26,534	30,279	3,745	14.1%
Mt Clemens	8,349	9,419	1,070	12.8%
Sterling Hts	6,844	7,854	1,010	14.8%
Warren	11,341	13,006	1,665	14.7%
Persons				
County Total	56,878	64,956	8,078	14.2%
Mt Clemens	16,824	18,863	2,039	12.1%
Sterling Hts	14,920	17,123	2,203	14.8%
Warren	25,134	28,970	3,836	15.3%
Expenditures				
County Total	\$5,231,876	\$6,257,736	1,025,860	19.6%
Mt Clemens	\$1,535,346	\$1,831,655	296,309	19.3%
Sterling Hts	\$1,382,852	\$1,663,947	281,095	20.3%
Warren	\$2,313,678	\$2,762,134	448,456	19.4%

Source: Macomb County Office of MI Dept. of Human Services

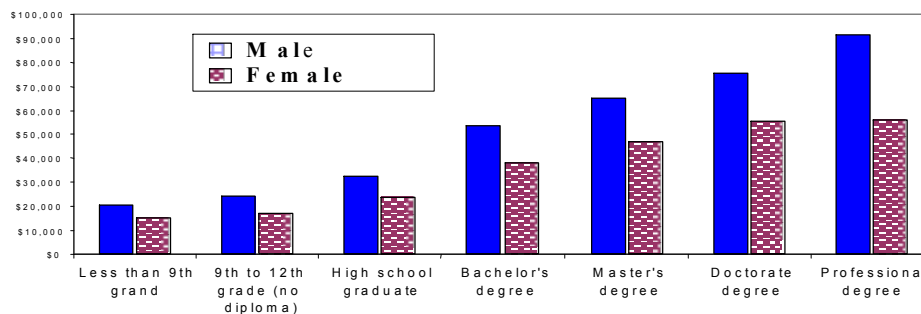
These numbers are quite significant in that it has been relatively clear that the south end of the county contains a population of significantly lower socioeconomic status than either the mid- or northern regions. However, increasing job loss and/or decreasing regular and overtime hours have recently heavily affected residents in the higher socioeconomic classes. This loss in income has translated to increasing numbers of homes in foreclosure and an increased need for state and local services.

What Impacts Poverty?

Peoples' educational level, gender, race, age and marital status all impact the likelihood of living in poverty.

Education & Gender. More education leads to higher income, for both men and women, although men consistently earn more than women in each educational category. When comparing the 2000 median income of full-time, year-round workers age 25 and older, higher education attainment increases income. While education levels have increased over time, for both men and women, the wage disparity between the sexes has remained fairly constant, with women earning, on average, 67-70 cents per dollar for men.

Figure 6. Median Income 2000, by Education



Source: U.S. Census Bureau

Recently released figures from the 2007 Current Population Survey provide clear evidence of the link between educational attainment and income. Table 16 looks at the average annual earnings in 2006 for full-time, year-round employees by level of education completed. While the data are at the national level, the message is very clear. Persons who ended their education with only a high school degree earned, on average, \$37,303. Those who received an Associate degree found their average earnings rising to \$46,169, while a Bachelors degree brought in \$66,445. Thus we can see that a basic college degree (Masters and beyond yielded increasing incomes) resulted in earnings that were 1.8 times that of a high school graduate. Women were shown to earn less than men at all educational levels – ranging from a low of 65 cents on the dollar for a Masters degree to a high of 79 cents at the Associate degree level.

Table 16. Average Annual Earnings for Full-time, Year-round Workers by Education Level

	Total	<9th grade	9-12th Grade, non-graduate	High School Grad / GED	Some College, no degree	Associate Degree	Bachelors Degree	Masters Degree	Professional Degree	Doctorate Degree
Both Sexes	\$51,042	\$25,034	\$28,881	\$37,303	\$42,868	\$46,169	\$66,445	\$81,687	\$130,023	\$115,377
Male	\$57,791	\$26,789	\$31,434	\$42,466	\$48,431	\$51,485	\$76,749	\$97,038	\$143,615	\$125,393
Female	\$41,518	\$20,499	\$23,351	\$29,410	\$35,916	\$40,463	\$53,201	\$63,218	\$100,734	\$91,733

Figure 7. Educational Attainment for Macomb County Residents 25 Years and Over, 1980 - 2000

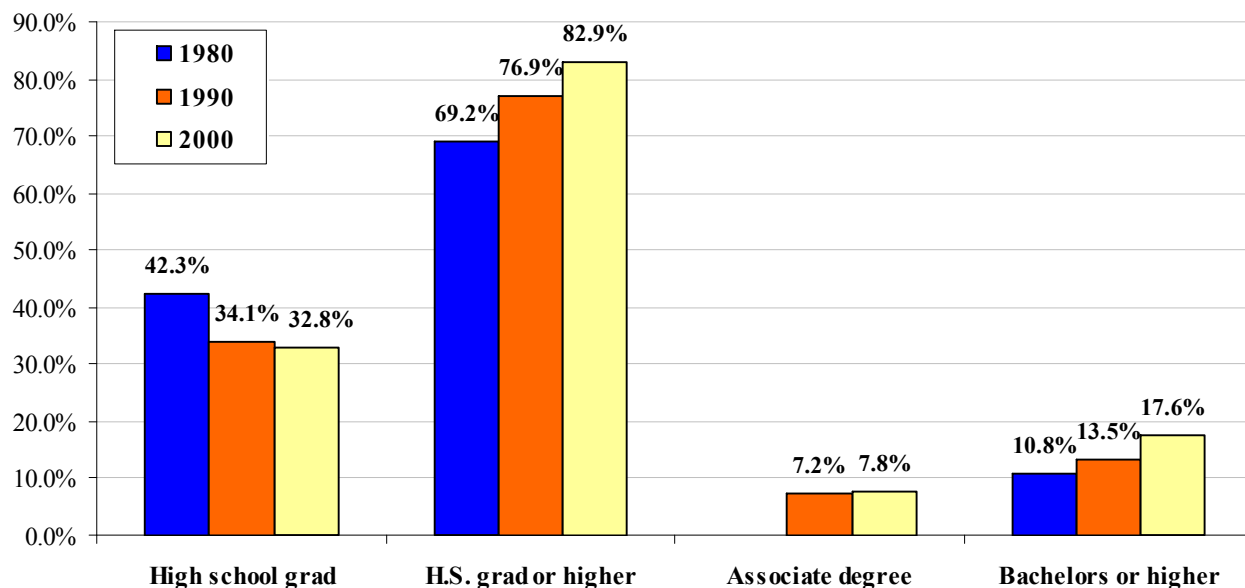


Figure 7 illustrates educational attainment levels in Macomb County from 1980 – 2000.¹⁴ While the trends are going in the right direction, it is apparent that the rate of high school completion as highest level is far too large and that the rate of bachelors degrees is far too low for economic success in today’s information-based economy. Data show that educational attainment is going up in Macomb with successive generations, but the rate is still much lower than in Oakland County and far below what state leaders recognize as necessary. Macomb Community College is a major asset within the county and is providing the associate and vocational/technical degrees that are both needed in our region and that pay relatively good wages.

Table 17 illustrates the wide range of educational attainment that exists across the communities of Macomb County. While the share of persons with a high school degree or more ranges from a low of 74 percent in Center Line to a high of 89 percent in Lake

¹⁴ While the Census Bureau released data on educational attainment from the 2005 American Community Survey, the sample size is too small and the methodology too different for comparisons to be made with previous census data.

township, college graduation rates show a much greater degree of variability. Eleven communities have college graduation rates below 15 percent (3 of these below 10 percent), while seven come in above 20 percent, led once again by Lake township at 43 percent. While the relationship is not perfect, the tendency is for lower levels of education to exist in the southern part of the county, while higher levels fall in the townships north of M-59.

Table 17. Educational Attainment of the Population 25 Years and over by Macomb County Community, 2000

	High school grad	H.S. grad or higher	Bachelors or higher
Lake township	14.9%	89.4%	42.6%
Shelby charter township	28.1%	87.4%	26.3%
Bruce township	26.4%	88.3%	24.2%
Sterling Heights city	29.2%	84.0%	23.0%
New Baltimore city	27.5%	86.9%	22.7%
Washington township	27.4%	87.9%	22.6%
Macomb township	29.6%	88.9%	22.0%
Harrison township	32.6%	88.2%	19.8%
Utica city	29.5%	80.8%	18.3%
Ray township	35.9%	88.0%	18.3%
St. Clair Shores city	33.8%	84.4%	18.1%
Clinton township	32.8%	84.9%	18.0%
Macomb County	32.8%	82.9%	17.6%
Chesterfield township	31.9%	88.7%	16.4%
Armada township	36.0%	86.2%	14.8%
Fraser city	32.0%	82.4%	14.6%
Richmond township	37.1%	84.6%	14.0%
Richmond city	35.5%	83.7%	13.7%
Mount Clemens city	30.8%	78.5%	13.5%
Warren city	35.8%	76.9%	13.0%
Memphis city	41.0%	79.7%	12.3%
Eastpointe city	39.0%	79.3%	11.3%
Lenox township	40.2%	80.4%	8.2%
Roseville city	38.7%	76.2%	7.2%
Center Line city	37.1%	73.7%	6.1%

Race/Ethnicity. When comparing educational levels by race/ethnicity, a higher educational level also consistently correlates to higher income.

The decade of the 1990's brought change to Macomb County's racial and ethnic makeup, the degree of which had never been experienced before (Table 18).¹⁵ While the county's population increased by a strong 9.9 percent, its African-American population, primarily from Detroit, more than doubled. Rather than adding to historic African American settlements in New Haven, Mount Clemens and Clinton Twp., this growth occurred in Warren, Eastpointe, Fraser and other southern communities. The Asian population, consisting of Filipinos, Thai, Vietnamese, Cambodians and Hmong, among others, almost doubled in number, while Hispanics grew by 55 percent. The Census Bureau allowed respondents to list more than one race for the first time in the 2000 Census. Almost 13,000 Macomb County residents chose this option, showing both the degree of multi-race residents and the large component of Chaldean (Christian Iraqis) residents who, having no specific listing on the questionnaire, chose to write in their ethnicity in the Other Race option.

Recently released estimates for 2006 show that these trends are continuing and, in the case of African Americans, actually accelerating

Table 18. Population by Race/Ethnicity for Macomb County, 1990 – 2006

	1990	2000	2006	1990 - 2000 Change		2000 - 2006 Change	
				Number	Percent	Number	Percent
Total Population	717,400	788,149	832,861	70,749	9.9%	44,712	5.7%
White	687,480	721,882	724,978	34,402	5.0%	3,096	0.4%
African American	10,313	21,151	52,001	10,838	105.1%	30,850	145.9%
Native American	2,529	2,255	2,513	-274	-10.8%	258	11.4%
Asian / Pacific islander	8,895	16,900	25,056	8,005	90.0%	8,156	48.3%
Other race	205	685	na	480	234.1%	na	na
Multi-racial	na	12,481	11,551	na	na	-930	-7.5%
Hispanic/Latino	7,978	12,435	16,762	4,457	55.9%	4,327	34.8%

Source: Census Bureau

While this increasing racial diversity is altering the look of the workforce, political discussions and school classrooms, it is also affecting the delivery of social services. Because the socioeconomic status of these groups differs, the fact that they are increasing changes the dynamics of poverty and need in the community.

Table 19 shows these differing rates. Macomb County's African American community has an overall poverty rate that is more than three times that of the majority White, non-Hispanic population. This ratio grows slightly wider when just children are taken into account. The Hispanic gap is considerably smaller for both categories, coming in just under two to one. The Asian poverty rates are similar to those for Whites. It is important

¹⁵ Recently released estimates by the Census Bureau for 2006 show significant increases in African American, Asian and Hispanic residents.

that the county continue to monitor these racial/ethnic changes and to be cognizant of the differing demands that the various groups place on the social service system.

Table 19. Poverty by Age and Race/Ethnicity for Macomb County, 1999

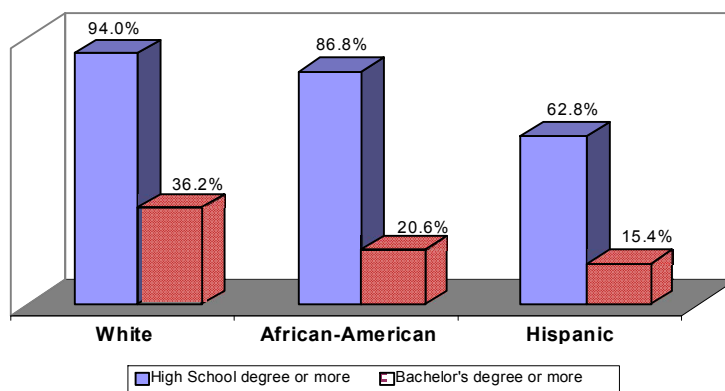
	Percent of All Persons	Percent of Children
White	5.1%	6.3%
African American	16.0%	22.8%
Native American	9.6%	13.4%
Asian / Pacific islander	7.3%	6.1%
Two or more races	13.7%	16.3%
Hispanic/Latino	9.5%	11.7%

Source: Census Bureau

Exacerbating the differential is the fact that the levels of educational attainment differ significantly across race and ethnicity.

Figure 8 shows education levels by race at the national level in 2000.¹⁶ While there are clear differences exhibited at the “high school degree or more” level, particularly with regard to Hispanics, the real differentiating factor is that of college degrees. Whites are almost twice as likely as African Americans, and more than twice as Hispanics, to have attained a college degree. This obviously translates to earning capacity and household income.

Figure 8. Education Attainment by Race, United States 2000



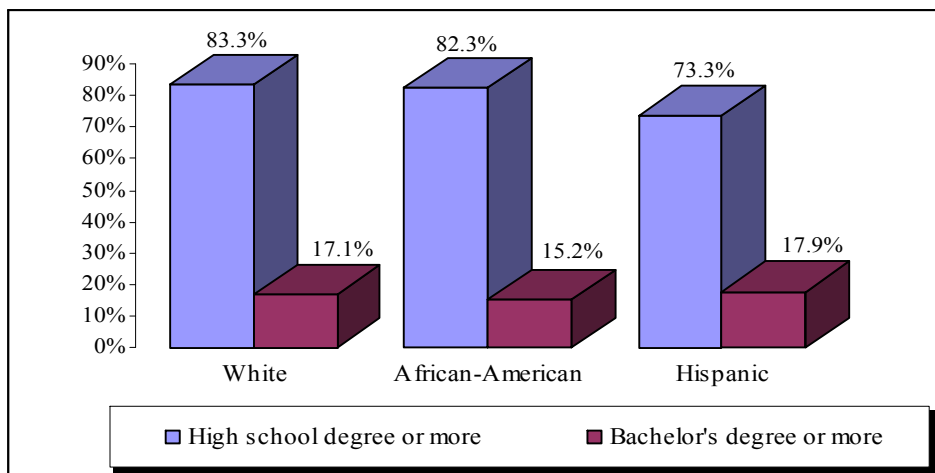
Source: U.S. Census Bureau, 2000 Census

The racial/ethnic differences in educational attainment, while present, are much less in Macomb County. The rate of high school graduation and beyond is almost equivalent

¹⁶ While the Census Bureau updates national estimates on an annual basis, there is no equivalent updating for counties. As a result, this analysis uses 2000 data at the national level for comparability purposes.

between Whites and African-Americans, while Hispanics fall ten percent behind. This is attributable to a more educated African-American population that began to move into the county in relatively large numbers, primarily from Detroit, during the 1990s. The lower rate for Hispanics is partially attributable to the arrival of less educated Mexicans who are employed in the construction and landscaping occupations. The building boom that the county has experienced over the last decade has brought with it many such jobs. While Whites attained college degrees at rates slightly above those of African-Americans (a differential much below that of the nation), the rate for Hispanics was higher than that of Whites. This reversal of the trend for high school graduation rates is attributable to the educational disparities among recent Hispanic immigrants. Immigration streams have brought both the undereducated who find employment in semi-low skilled occupations and the more highly educated professionals. Macomb County has been able to attract both.

Figure 9. Educational Attainment by Race/Ethnicity for Macomb County, 2000

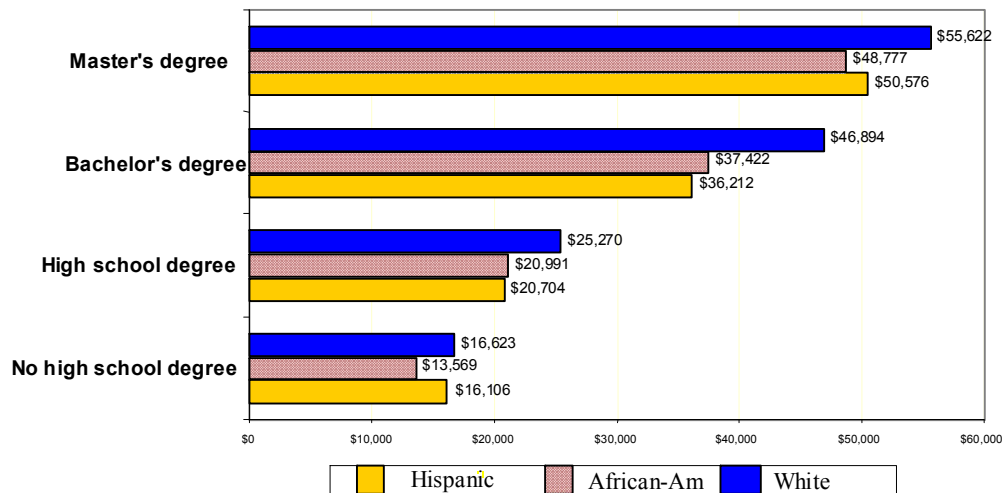


Source: U.S. Census Bureau, Census 2000: SF3

The recent economic downturn has resulted in a loss of the high paid manufacturing jobs that have sustained many of those in Macomb County without a college degree. This, in turn, has resulted in a steadily decreasing construction market that has sustained many of the undereducated Latino immigrants. It has become quite apparent that the future economy of Macomb County will be dependent upon its ability to attract high skilled jobs – in manufacturing, health care and other knowledge-based occupations. Post-secondary education will be necessary for Macomb County residents to take advantage of these employment opportunities.

Figure 10 summarizes national trends in income by race and education level. While it is quite clear that income rises as educational attainment rises, there still remains an income differential between Whites and persons of color at all levels of education. The only level where incomes are rather close is that of “no high school degree.” Here the incomes are so low that everyone is relatively even.

Figure 10. Income by Education & Race



Source: U.S. Census Bureau, 2000 Census

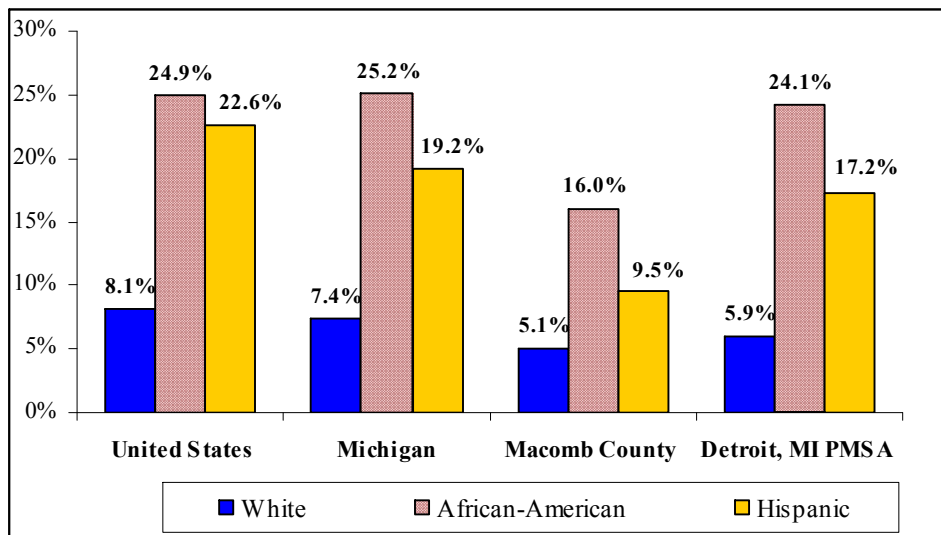
The analysis has looked at changes in educational attainment over time and education's effect on income and earnings. Differences in educational attainment and earnings have also been analyzed by race/ethnicity.

Differences in educational attainment by race/ethnicity translate to differences in income and, by extension, poverty rates. Nationally, the poverty rate for African-Americans is three times that of Whites (Figure 11). The poverty rate for Hispanics is only slightly less than that of African-Americans. The differentials for Whites and African-Americans are slightly greater in both Michigan and the Detroit metropolitan area, while slightly less for Whites and Hispanics.

Macomb County demonstrates several anomalies. While educational attainment levels between Whites and African-Americans are quite similar, the poverty differential remains at 3:1 (even though overall poverty rates are lower than in other areas). The poverty differential for Hispanics is less than 2:1. Such trends necessitate further analysis to determine why the educational attainment – economic outcome does not appear to hold for African-Americans in Macomb County.

While these differences in the poverty rate by race have existed for decades, the percentage in poverty for minorities has dropped more rapidly over time than the poverty rates for whites.

Figure 11. Rate of Poverty, by Race/Ethnicity, for Selected Geographies



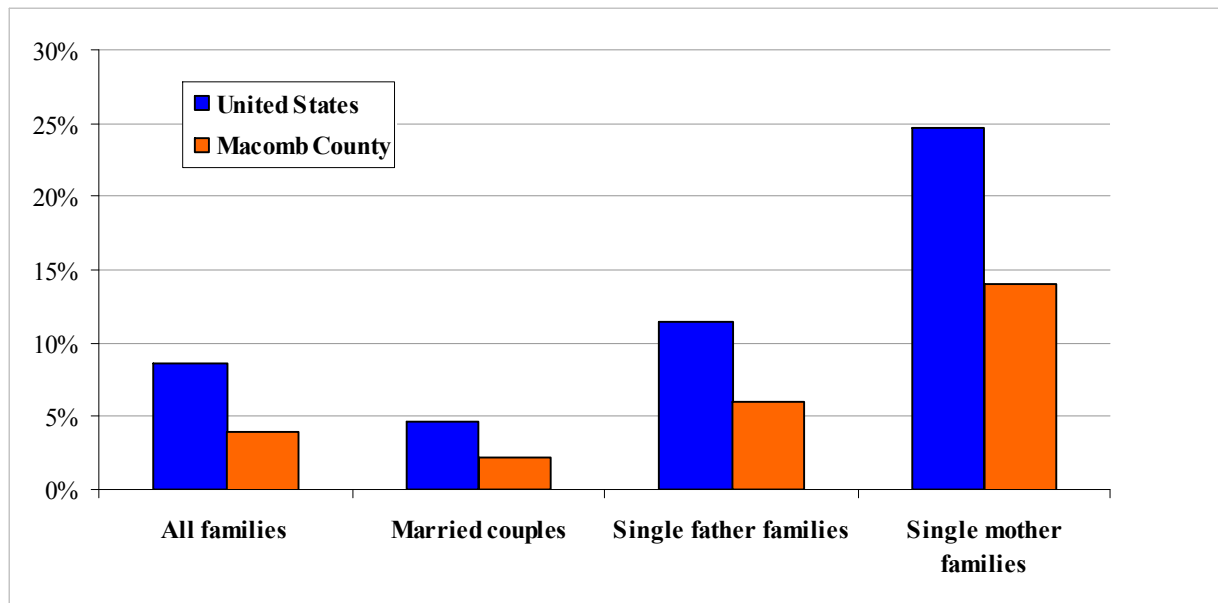
Source: U.S. Census Bureau, Census 2000: SF3

Macomb County has also gone somewhat against national and statewide trends in poverty over the last decade. While the poverty rate for Whites dropped by almost two percentage points in the U.S. (9.8 to 8.1 percent) and Michigan (9.4 to 7.4 percent) between 1989 and 1999, Macomb's rate increased from 5.0 to 5.1 percent. African-Americans experienced decreases in poverty in all areas, though Macomb's decrease (18.7 to 16.0 percent) was the least of the three. Finally, Macomb County's Hispanic population saw their poverty rate rise from 8.8 to 9.5 percent, while the poverty rate for Hispanics nationally was dropping by 2.7 percentage points and 4.4 percentage points in Michigan.

Marital Status. Single parent families are more likely to be poor than two parent families, and single parent mothers have more than twice the poverty rate of single parent fathers.

Poverty rates by marital status in Macomb County are consistent with the national statistics. Macomb rates tend to be approximately half those of the nation, with the exception of single mother families which come in slightly higher (Figure 12).

Figure 12. Percent Living Below Poverty, by Type of Family

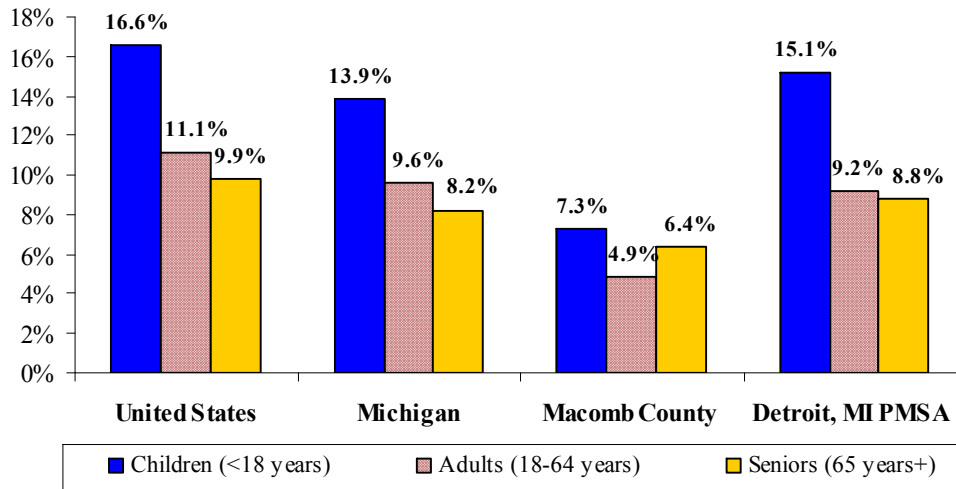


Source: U.S. Census Bureau, Census 2000

Age. When poverty rates by age are tracked over time at the national level, one sees the largest drop occurring for seniors. The most important factor driving this decrease was the indexing of Social Security payments to the rate of inflation. Children have experienced a “roller coaster ride” in their poverty rates over the years. While reaching a high point in the recession years of the late 1980s and early 1990s, they began to drop significantly with the economic boom of the mid- to late-1990s, coupled with the institution of welfare-to-work programs that were instituted during that time. Children have experienced a reversal in their fortunes since 2000.

Macomb County’s pattern of age and poverty (Figure 13), while generally following that of other areas, once again shows an anomaly. Unlike the comparison areas, Macomb County seniors had a higher poverty rate than working-age adults. While this is a testament to the low poverty rate in the county, it is of concern as Macomb has a higher share of seniors than any other county in southeast Michigan.

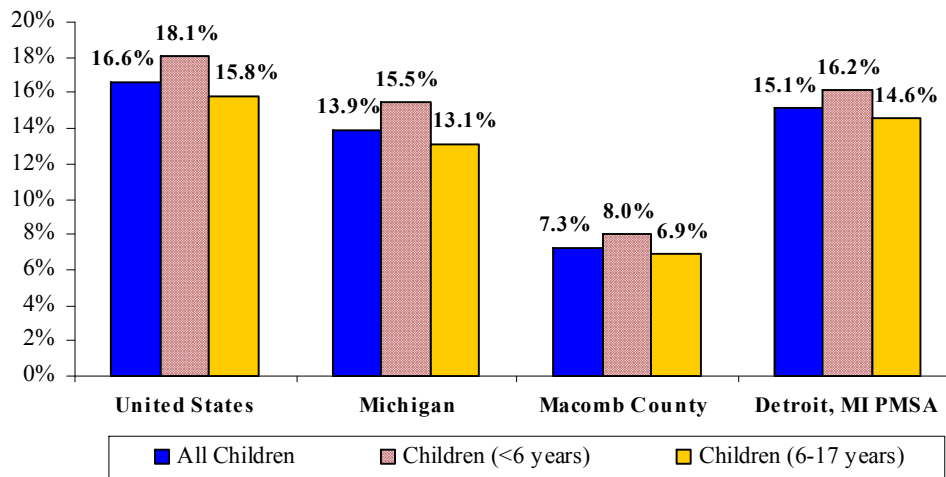
Figure 13. Poverty Rate, by Age



Source: U.S. Census Bureau, 2000 Census: SF3

Children. Young children (under age 6) are even more likely than their older counterparts to live in poverty. Figure 14 illustrates that the poverty characteristics of children by age are consistent across our comparison geographies, with Macomb County lower than the rest for all age groups.

Figure 14. Poverty Rates for Children, by Age



Source: U.S. Census Bureau, 2000 Census: SF3

- In 2006, 7.5 percent of all U.S. children lived in extreme poverty (less than 50% of the poverty level). This level has remained relatively constant since 2003.
- According to 2000 figures, across the United States, there are 4.1 million children living in poverty who are in a family with one or more family members working full-

time. This is 37% of all poor children. Children in families where one or more family members worked at all are 77% of all poor children – i.e. only 23% of children in poverty live in a family where no one is working.

- Of poor children in *working families*, 61% are in married couple families, 33% are in single mother families.

Recent Changes in Poverty

The Census Bureau recently released 2006 poverty data, calculated from the Current Population Survey conducted in March 2007. According to these data:

- The national poverty rate in 2006 was 12.3%, down from 12.6% in 2005. This translates into 36.5 million people in poverty, not statistically different from the 37 million in 2005.
- The poverty rate for children dropped slightly from 17.6% in 2005 to 17.4% in 2006. This was well above the 10.8% rate for 18-64 year olds and 9.4% rate for those 65 years and over. The 2006 rate of 17.4 % translated to 12.8 million children.
- The poverty rate for people age 18-64 decreased to 10.8 percent in 2006, from 11.1 percent in 2005. This translates to 20.2 million individuals, not statistically different from 2005's total.
- The poverty rate for people living in the suburbs dropped from 9.3% in 2005 to 9.1% in 2006; while the central city rate decreased from 17.0 to 16.1%. Non-metropolitan (rural) areas were the only geography to experience an increase, going from 14.5% in 2005 to 15.2% in 2006.

The effect of the economic downturn on Michigan can be seen in the Current Population Survey results where the 3-year poverty average from 2004-2006 was 13.3 percent, compared to the 2003-2005 average of 12.0 percent. While the Current Population Survey does not allow for analysis below the State level, the American Community Survey does. Recently released results for 2006 show that poverty has increased in both the central city of Detroit as well as the tri-county suburbs. This serves as another indicator of Michigan's bucking national trends. A major finding over the last several years is that poverty has indeed moved to the suburbs, with more poor people now living in the tri-county outside Detroit than within the city limits. Macomb County has experienced this increase more than any other area.

Poverty & Income

Nationally the income for the lowest income quintile of families has improved over time. The increased income, however, is still not high enough for a family to reach economic self-sufficiency.

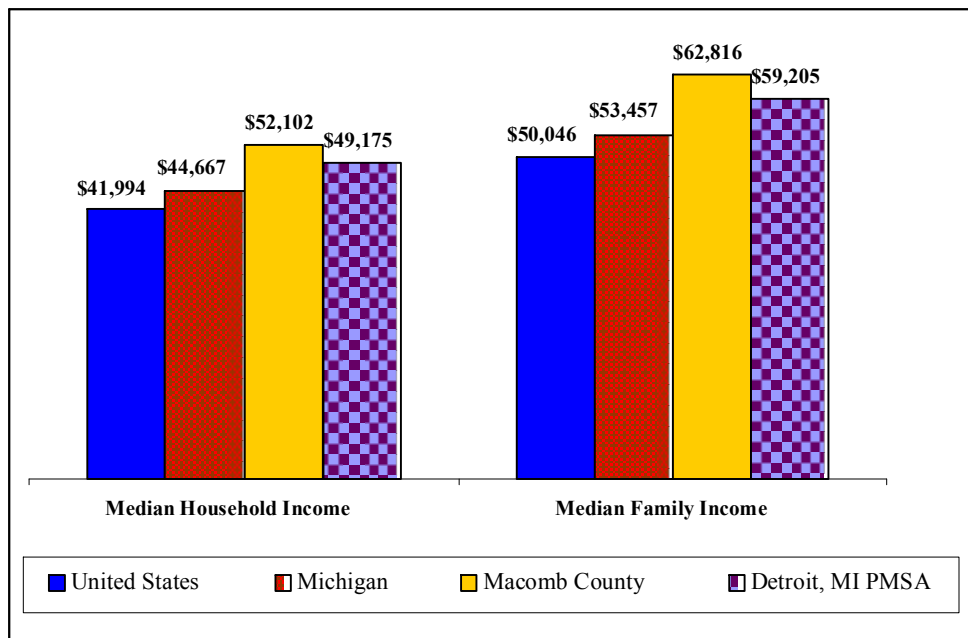
In 2007, using the official HHS poverty guidelines, a family of four needs to earn at least an hourly wage of \$10.30, working 40 hours a week, 50 weeks a year, to move above the poverty level. As shown earlier, this current poverty guideline is roughly half the level of

income needed to meet a household's basic needs. Using the Basic Needs Budget of \$45,084 for a family of three (one parent, 2 children), for example, the hourly wage needed to support the Basic Needs budget would be \$22.54 at full-time, full-year work. In a four-person household, with two parents, one would need to work full time and the other half time, both at \$19.65 per hour, to cover the basic needs budget.

What are local wages, compared to these poverty level wages?

Median household income for Michigan, when calculated on a 3-year moving average, has experienced a decrease since 2000. While the 1999-2001 median was \$53,423 (in 2006 dollars), it fell to \$47,064 for the 2004-2006 period, a drop of 11.9 percent. This loss pushed Michigan down further in the ranking of states. While Michigan was one of the leaders in income just a decade ago, by 1999-2001 it had fallen to 15th and, with the latest numbers, it is now 25th. Putting this in context with the nation, Michigan, which always exceeded the national average in income, is now estimated at \$800 below the national average.

Figure 15. Median Household and Family Income, 1999



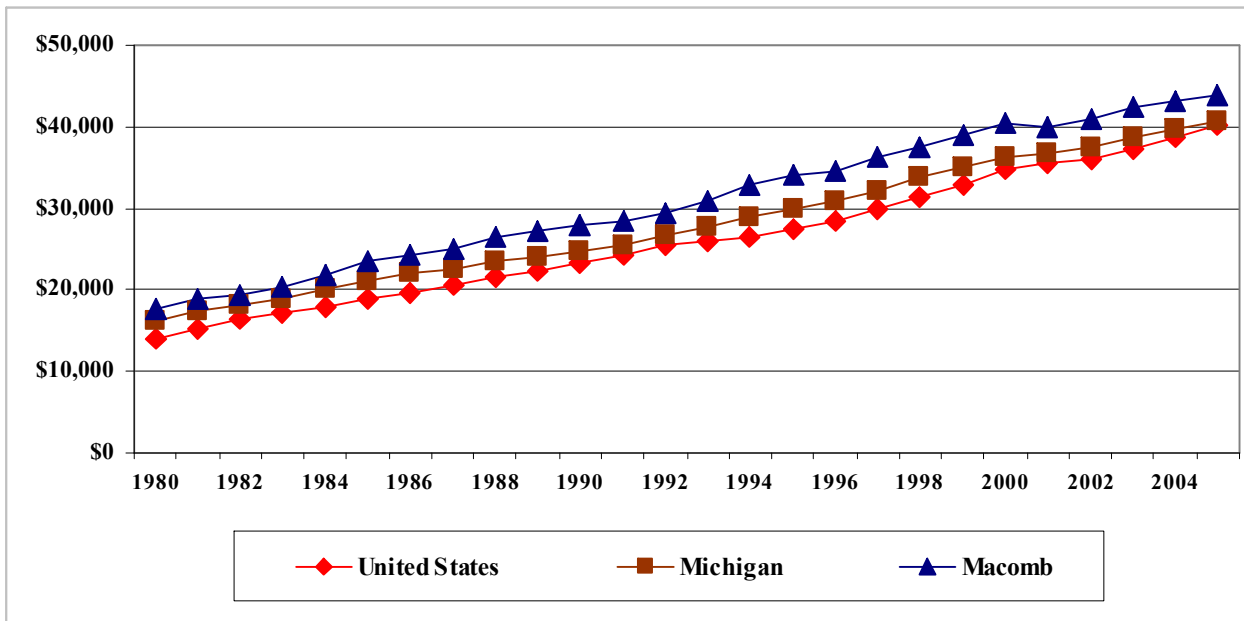
Source: U.S. Census Bureau, 2000 Census: SF3

When incomes are compared across our set of standard geographies, we find a reverse relationship to what we had with poverty. Income tends to track with the size of the geographic area, as the lowest incomes are at the national level, followed by the state, metropolitan area and, at the high end, Macomb County.

When average wages per job are analyzed (Figure 16), it is apparent that Macomb County's industrial mix – highly concentrated in manufacturing – has contributed to the higher averages wages. However, the recent economic downturn, which has had the

greatest effect on the manufacturing sector, has brought about both a loss in Macomb County manufacturing jobs and a lessening of the wage differential between both national and state-level wages.¹⁷ As a result, while an average salary in Macomb would place a family above 200% of the HHS poverty guideline for a family of four, many of these jobs have disappeared, while others have experienced decreases in hours worked.

Figure 16. Average Wages Per Job, 1980 - 2005



Source: U. S. Department of Commerce, Bureau of Economic Analysis, Regional Accounts Data

Labor Force/Employment

The recession that began in early 2001 has had a devastating effect on the State of Michigan and the Detroit metropolitan area. Table 20 shows that the average annual labor force in 2006 for Macomb County was down more than 12,000 persons from 2000, even with the slight gain experienced in 2005. More significant are the components of that labor force. The number of employed fell by almost 27,000 (6.4 percent) over that time period. One can assume, as well, that a share of these employed found themselves in lower paying jobs (after being laid off from a previous job), working fewer hours (perhaps parttime), and experiencing reductions in benefits. The number of unemployed almost doubled over this period and the unemployment rate doubled from 3.6 to 7.2 percent.

¹⁷ According to Michigan Labor Market Information statistics, the number of unemployed in Macomb County has almost doubled between 2000 and 2006, from an average of 15,700 per month to an average of over 30,000 per month.

Table 20. Labor Force Trend for Macomb County, 2000 – 2006

	2000	2001	2002	2003	2004	2005	2006	Change, 2000 - 2006	
								Number	Percent
Labor Force	433,912	431,258	426,456	425,161	422,334	422,599	421,446	-12,466	-2.9%
Employment	418,171	408,418	400,285	396,545	393,765	393,671	391,252	-26,919	-6.4%
Unemployment	15,741	22,840	26,171	28,616	28,569	28,928	30,194	14,453	91.8%
Jobless Rate	3.6	5.3	6.1	6.7	6.8	6.8	7.2	3.6	100.0%

Source: MI Labor Market Information Division

Table 21 further illustrates the economic problem that the county has been experiencing. Here we can see the industry sectors that have been most affected by this recession. Manufacturing, Macomb County's largest and highest paying sector, has taken the biggest hit. Annual figures for 2006 show the county having almost 26,000 fewer manufacturing jobs than it had in 2000. This represents a 25 percent decrease. Construction, wholesale and retail jobs were also down, as were professional and technical services. The areas of increase fell in the service sector – information (very slight growth), finance and real estate, education services, health care and social assistance, accomodation and food services and administration and waste services. The largest increase by far occurred in health care and social assistance – an induicator of an aging and more needy Macomb County population. The growth sectors added about 18,500 jobs – still not enough to cover manufacturing losses.

Table 21. Employment by Sector for Macomb County, 2000 – 2006

Industry	2000	2006	2000-2006 Change	
			Number	Percent
Construction	20,292	16,771	-3,521	-17.4%
Manufacturing	104,383	78,387	-25,996	-24.9%
Wholesale trade	11,208	10,971	-237	-2.1%
Retail trade	43,989	41,016	-2,973	-6.8%
Transportation and warehousing	5,183	6,663	1,480	28.6%
Information	1,818	1,888	70	3.9%
Finance and insurance	6,622	7,217	595	9.0%
Real estate and rental and leasing	3,115	3,665	550	17.7%
Professional and technical services	18,051	14,412	-3,639	-20.2%
Administrative and waste services	22,289	26,048	3,759	16.9%
Educational services	1,249	2,205	956	76.5%
Health care and social assistance	25,674	32,964	7,290	28.4%
Arts, entertainment, and recreation	3,147	2,901	-246	-7.8%
Accommodation and food services	20,927	24,753	3,826	18.3%

Source: MI Labor Market Information Division

What jobs will be available in coming years in this region?

The predicted job growth in the six-county metropolitan area (individual county data are not available) indicates a continuing shift from jobs in manufacturing to service industry jobs. From 2000 to 2010, jobs are expected to increase 9.7% or 219,920 jobs.

Table 22. Top Growth Occupational Categories for Detroit Metro, 2000 - 2010

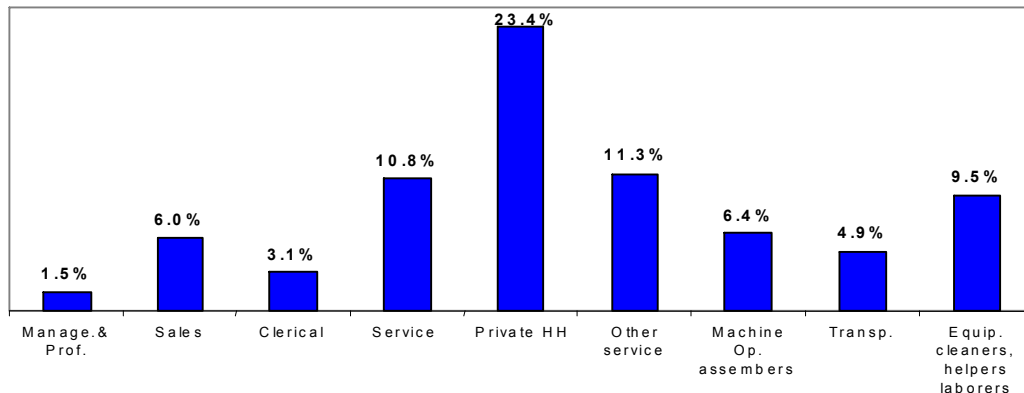
Occupation	Jobs Added	Avg. Hourly Wage
Computer & Mathematical Occupations	25,680	\$30.69
Sales and Related Occupations	24,300	\$16.48
Transportation & Material Moving Occ.	16,600	\$16.29
Healthcare Practitioners/Technical Occ.	15,820	\$30.54
Construction & Extraction Occupations	14,720	\$23.35
Food Preparation & Serving Related Occ.	13,840	\$8.63
Office & Administrative Support Occ.	12,400	\$14.85
Healthcare Support Occupations	11,520	\$11.94
Personal Care & Service Occupations	11,060	\$11.07
Business & Financial Operations Occ.	10,750	\$31.15
Management Occupations	10,650	\$47.85
Building/Grounds Cleaning/Maint Occ.	10,470	\$11.71
Education/Training/Library Occupations	10,180	\$22.70
Retail Salespersons	9,060	\$10.86
Combined Food Prep/Serv Wrkr, Inc Fast Food	8,080	\$7.71

Source: Michigan Office of Labor Market Information, Occupational Employment Forecasts 2000-2010 and Occupational Employment and Wage Estimate for the Detroit area.

Table 22 shows those occupations that are anticipated to add the most positions, through replacement and additions, over the first 10 years of the 21st Century in the Detroit metropolitan area, along with their associated hourly wages (as of November 2003). While a number of these jobs require high-level skills and pay good wages, many of these jobs are quite low paying, tend to not provide full-time employment, and definitely have no associated benefits. When comparing the hourly wages to both the poverty guideline for a family of four and the Basic Needs budget for a family of three and a family of four, a large share of the jobs coming to the metropolitan area through 2010 will not meet a family's basic needs.

A number of the local high growth jobs are occupations that nationally have relatively high poverty rates (Figure 17). Data are collected on workers in the labor force for at least 27 weeks during the year.

Figure 17. Poverty Rate by Occupational Category



Source: U.S. Census Bureau, March 2000 Supplement to the Current Population Survey

Poverty & Housing

Across the country, as well as statewide, the majority of households are homeowners. This trend towards higher homeownership has shown a steady increase since 1900, with dramatic jumps in the 1940's and 1950's.

Despite this trend in the general population, most poor persons in Michigan (60 percent) rent rather than own their homes. This is not the case in Macomb County, however. According to 2000 Census figures, while 61 percent of households living in poverty in the Detroit metropolitan area are renters, this is the situation for only 49.5 percent of Macomb's poor households. A further analysis by householder age reveals that this difference is primarily a result of the large number of Macomb County householders 60 years of age and above, in which 54 percent of those in poverty own their homes. This becomes an even more important issue when one remembers that Macomb County went against the poverty trend of other areas by having a larger poverty rate for seniors than for working-age adults. The rate of homeownership for those above the poverty threshold is much higher – 77 percent for the State and 81 percent in Macomb County.

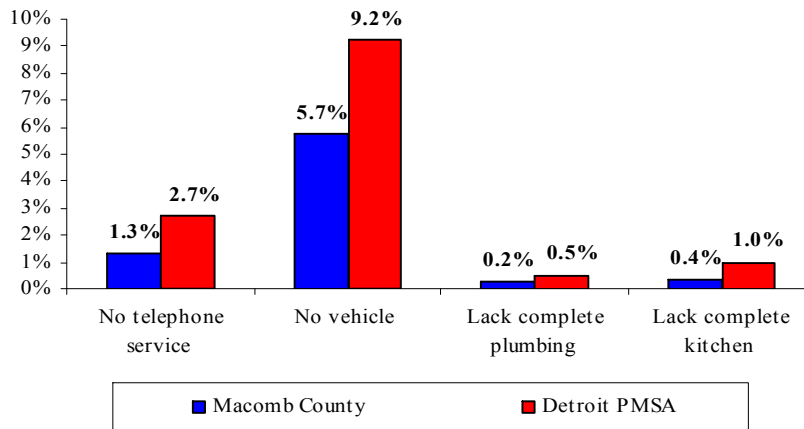
Housing Characteristics by County

As of the 2000 Census, there were 320,267 housing units in Macomb County. According to recently released estimate from the Census Bureau, the county has added 30,099 housing units between the Census and July 2006. The vacancy rate for housing in Macomb was 3.5 percent. Seventy-nine percent of the occupied housing was owner-occupied. Owner-occupied units averaged 6.0 rooms,¹⁸ while renter-occupied units

¹⁸The room count excludes halls, foyers, bathrooms and strip or Pullman kitchens.

averaged 3.9 rooms. Single-family, detached homes accounted for 68.7 percent of all units. Single-family attached accounted for the second

Figure 18. Basic Housing Characteristics – Macomb and Metro Detroit, 2000



Source: U.S. Census Bureau, 2000 Census: SF3

largest segment (7.5%), followed by units in structures of 5-9 units (6.4%), and mobile homes (4.5%). The greatest period of building in Macomb County came during the 1960s when 20.5 percent of its current units were constructed. The 1950s and 1970s tied for a close second (19.3%), followed by the 1990s (17.4%).

Housing Costs

The median monthly gross rent across the State of Michigan, according to the 2000 Census, was \$546. The equivalent for Macomb County was \$603. This falls well below the 2007 HUD determined “fair market rent” of \$793 for a two-bedroom rental in Macomb. Only four other counties in the state had higher median rents. Three were also in southeast Michigan – Livingston, Oakland and Washtenaw, while the other was the tourist magnet Grand Traverse.

Despite the relatively high rents (compared to other counties in the state), housing costs in the county fall below the state average. More than one quarter (26.2 percent) of renters in Macomb are paying 35% or more of their income towards rent, compared to 30.5 percent across Michigan (including Macomb), and 15.0% are paying more than 50% of household income for rent (18.6% in Michigan). Estimates for 2006 from the American Community Survey have the share of households spending 35 percent or more of their income (50% or more is not tabulated) increasing to 35 percent for Macomb County and 43 percent for the State. Generally, households paying more than 35% of income for shelter lack affordable housing. Those paying more than 50% of household income for housing costs are considered to have “critical housing needs.”

Geographically, one-third of the county's communities had rates over 30 percent of households paying 35% or more of household income for rent, while half came in between 20 and 30 percent. Richmond twp. exhibited the highest share of critical need with 30.4 percent of renters paying more than 50% of their income for housing.

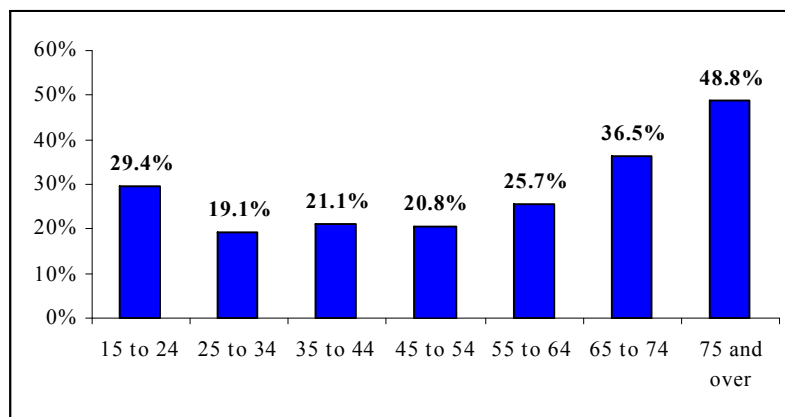
Table 23. Gross Rent as a Share of Income by Macomb County Community

	35%+	50%+		35%+	50%+
Armada twp	29.5%	10.9%	Mount Clemens	31.1%	21.5%
Bruce twp	13.8%	5.8%	New Baltimore	23.7%	14.1%
Center Line	17.5%	8.3%	Ray township	37.5%	13.9%
Chesterfield twp	30.0%	13.2%	Richmond twp	19.2%	8.8%
Clinton twp	25.6%	15.1%	Richmond twp	30.4%	30.4%
Eastpointe	35.2%	21.9%	Roseville	28.9%	16.1%
Fraser	24.8%	12.6%	St. Clair Shores	32.0%	19.3%
Harrison twp	18.3%	8.2%	Shelby twp	21.7%	12.2%
Lake twp	0.0%	0.0%	Sterling Hts	25.2%	16.4%
Lenox twp	24.7%	16.5%	Utica	32.9%	20.1%
Macomb twp	21.3%	14.9%	Warren	27.6%	14.3%
Memphis	34.5%	21.8%	Washington twp	26.2%	11.4%

Source: U.S. Census Bureau, 2000 Census: SF3

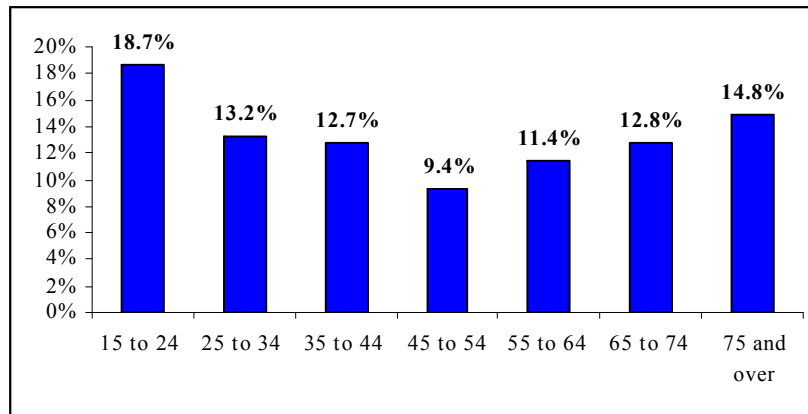
Looking at housing burden by householder age, we can see that a greater percentage of the youngest and oldest households are paying 35% or more of income towards rent. While this is not a large burden on the younger end of the age spectrum, comprised of both college students and those in early stages of careers, many assisted by parents, it is a significant issue on the upper end of the age spectrum where seniors are on fixed incomes and are often faced with decisions about what bills to pay – housing, utilities, food, prescription drugs, etc. More than 4 of every 10 seniors in Macomb County that were renters reported paying more than 35% of their income for rent.

Figure 19. Macomb County Rents at 35% or More by Age of Householder



Source: U.S. Census Bureau, 2000 Census: SF3

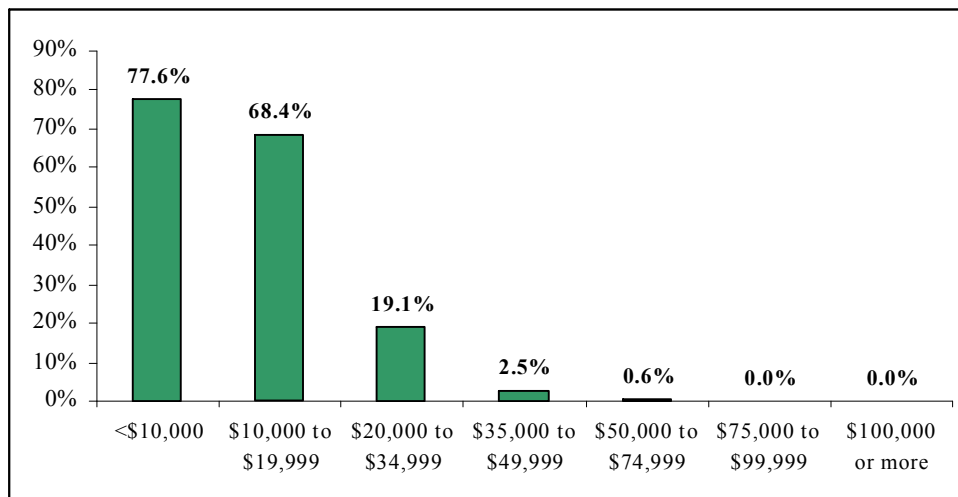
Figure 20. Macomb County Owner Costs at 35% or More by Age of Householder



Home ownership costs, while taking the largest portions of incomes at both ends of the age spectrum, account for lower shares across the board. This is especially important for senior households that tend to have high ownership rates.

An analysis of rent as a share of income shows a very clear and problematic pattern. Low- income households (below \$20,000), limited in most cases to renting as their only option, pay 35% or more of their incomes on housing costs at a rate over 70 percent. The frequency falls off dramatically when incomes reach \$20,000, and is almost nonexistent above \$35,000.

Figure 21. Macomb County Rents at 35% or More by Income of Householder



Source: U.S. Census Bureau, 2000 Census: SF3

Poverty & DHS Caseload Trends

While the county's poverty rate increased by only one-half point over the decade of the 1990's, that increase, coupled with the county's population growth, resulted in 7,128 more persons in poverty in 1999 than in 1989.¹⁹ A review of Table 24 shows which age groups and which communities were most affected. Over 1,000 children (primarily over the age of 6 years) were added to the poverty ranks. On the other end of the age continuum, the population 75 years and over experienced an increase in poor of 1,257 persons. In both cases we are pointing out persons of an age that makes them dependent upon others for care. An increase in poverty in these groups greatly affects service needs. Finally, in spite of the robust economy, almost 5,000 more working-age residents of Macomb County fell below the poverty income threshold over the decade.

Table 24. Change in Poverty Population by MCD for Macomb County, 1989 – 1999

1990 to 2000 Change	Number below poverty level							
	Total	Under 5 years	5 years	6 to 11 years	12 to 17 years	18 to 64 years	65 to 74 years	75 years and over
Macomb County	7,128	57	26	528	468	4,970	-178	1,257
Sterling Heights city	2,327	122	-11	186	217	1,310	176	327
Shelby charter township	1,025	55	15	127	84	544	61	139
Warren city	809	-53	-19	-209	15	957	-168	286
Clinton township	688	-29	-22	33	-59	403	62	300
Chesterfield township	654	107	13	63	167	306	-19	17
Roseville city	618	31	8	40	84	558	-128	25
Eastpointe city	435	-57	32	106	46	298	-92	102
Macomb township	430	96	22	80	-42	253	-13	34
Center Line city	349	70	0	44	10	227	-36	34
Mount Clemens city	179	28	35	27	-15	201	-11	-86
Harrison township	160	-48	7	80	50	35	-18	54
Richmond city	132	22	14	-1	31	79	-28	15
Richmond township	42	5	0	24	8	-18	13	10
Lenox township	33	-8	-37	-30	-31	112	7	20
Washington township	29	-8	1	48	-22	63	-20	-33
Memphis city	10	-7	-2	4	4	5	5	1
Lake township	2	0	0	0	0	0	2	0
Utica city	-23	1	0	-12	-16	-89	59	34
Armada township	-58	-7	2	-21	0	-1	-11	-20
Fraser city	-94	-91	-5	57	-30	31	-47	-9
Ray township	-102	-22	-5	-11	-1	-71	5	3
St. Clair Shores city	-130	-66	-14	-27	27	-51	40	-39
Bruce township	-185	-10	0	-44	9	-156	10	6
New Baltimore city	-202	-74	-8	-36	-68	-26	-27	37

¹⁹ The 2006 American Community Survey estimates that 66,433 Macomb County residents were in poverty – an increase of 22,423 individuals since 1999. **This represents a 50 percent increase in a 7-year period.**

Seventeen of the 24 Macomb County communities saw their poverty ranks grow. The greatest numerical increases occurred in the larger communities, including some with relatively high median incomes. Sterling Heights and Shelby Township experienced the largest gains, followed by Warren, Clinton and Chesterfield townships, and Eastpointe.

The Census Bureau provides two sources of poverty estimates that can be used to update the 2000 Census results. Both, however, contain a great deal of sampling error, and thus we include the low and high estimate values to provide the “range within which the true value is believed to fall.”

1. The Bureau, with support from other Federal agencies, created the Small Area Income and Poverty Estimates (SAIPE) program to provide more current estimates of selected income and poverty statistics than the most recent decennial census. Estimates are created for states, counties, and school districts. The main objective of this program is to provide updated estimates of income and poverty statistics for the administration of federal programs and the allocation of federal funds to local jurisdictions.
2. The American Community Survey is a new nationwide survey designed to provide communities a fresh look at how they are changing. It will replace the long form in future censuses and is a critical element in the Census Bureau’s reengineered 2010 census plan.

Table 25. Change in Poverty Population for Macomb County, 1999 – 2004

Year	Estimate of total population in poverty	low	high	Estimated percent in poverty	low	high	Estimate of children (0-17 years) in poverty	low	high	Estimated percent in poverty	low	high
2004	68,139	53,507	82,771	8.2	6.5	10.0	21,044	15,788	26,300	10.7	8.1	13.4
2003	60,575	47,693	73,458	7.4	5.8	9.0	18,429	13,999	22,858	9.5	7.2	11.8
2002	57,652	45,269	70,035	7.1	5.6	8.6	16,801	12,773	20,829	8.7	6.6	10.8
2001	48,329	38,244	58,414	6.0	4.8	7.3	14,689	11,174	18,204	7.7	5.8	9.5
2000	44,207	35,222	53,191	5.6	4.4	6.7	14,084	10,988	17,179	7.4	5.8	9.1
1999	44,506	34,753	54,259	5.7	4.4	6.9	15,786	11,970	19,601	8.3	6.3	10.4

Source: Census Bureau – SAIPE

The 1999 poverty population (44,506) estimated by the SAIPE program is very close to the census count of 44,010. After a small dip in 2000, the last year of the strong economy, the poverty population of Macomb County began to climb. The estimated total of 57,562 in 2002 was 29.5 percent higher than the 1999 estimate. The most recent years for which the data are available – 2003 and 2004 – show the same steady increase, with the 2004 numbers representing another 18.2 percent more persons in poverty than in 2002. There is somewhat more variance in the child poverty numbers, though the trend

since 2001 is clearly a steady yearly increase, resulting in 7,000 more children in poverty in 2004 than 3 years prior. This represents a 50 percent increase.

As has been discussed earlier in this study, a more recent estimate is available through the American Community Survey. This survey is conducted throughout the year, rather than with one reference date, as the Census has with April 1. As a result, the methodologies preclude direct comparisons with the Census. The estimates of total Macomb County residents in poverty in 2004 (54,659) are considerably below the SAIPE estimate, though within the lower bounds of the margin or error. The recently released estimate for 2006 is very close to the 2004 SAIPE number at 66,433. While there may be differences in the estimates, both methods exhibit the same trend of increasing levels of poverty in the county. While Table 26 shows the variability in the American Community Survey estimates, the slight decreases shown in 2006 are not statistically different from 2005, and the increasing overall population in the county means that a slight dip in percentage in poverty still results in an increase in the actual number in poverty.

Table 26. Poverty of Persons in Macomb County, 2002 – 2006

	2002	2003	2004	2005	2006
<i>Individuals</i>	7.3%	6.0%	6.7%	8.6%	8.1%
18 years and over	6.5%	5.4%	5.5%	7.6%	7.4%
65 years and over	8.0%	6.1%	5.9%	7.6%	7.4%
Related children under 18 years	9.6%	7.8%	10.5%	11.5%	10.0%
Related children under 5 years	10.8%	8.4%	9.5%	13.6%	12.6%
Related children 5 to 17 years	9.2%	7.7%	10.9%	10.7%	9.1%
Unrelated individuals 15 years and over	14.4%	12.4%	14.9%	17.0%	15.6%

Source: American Community Survey (ACS)

The Michigan Department of Human Services (DHS) provides the final data source that is available to help us determine trends in county needs. Table 27 compares trends across DHS programs for Michigan and Macomb County between 2000 and 2006, using the change in population as a base of comparison. The results show:

1. The FIP program, which is designed to help families achieve self-support and independence, which provides monthly cash assistance for personal needs, housing, heat, utilities and food grew by **51 percent** in Macomb County, while increasing by 7.5 percent statewide.
2. The Food Assistance program works in conjunction with FIP and is based on family income and size. Here again Macomb County well outdistanced the State with a caseload increase of **215 percent**, compared to 97 percent.
3. Family Medicaid provides medical assistance to families and individuals who could not otherwise afford it. Macomb County's caseload grew by **86 percent** over the period while the State's caseload grew by 42 percent.
4. Child day care is provided for parents who are working or going through workforce training. Macomb County's caseload grew by **41 percent** while the state experienced a 4.6 percent decrease.

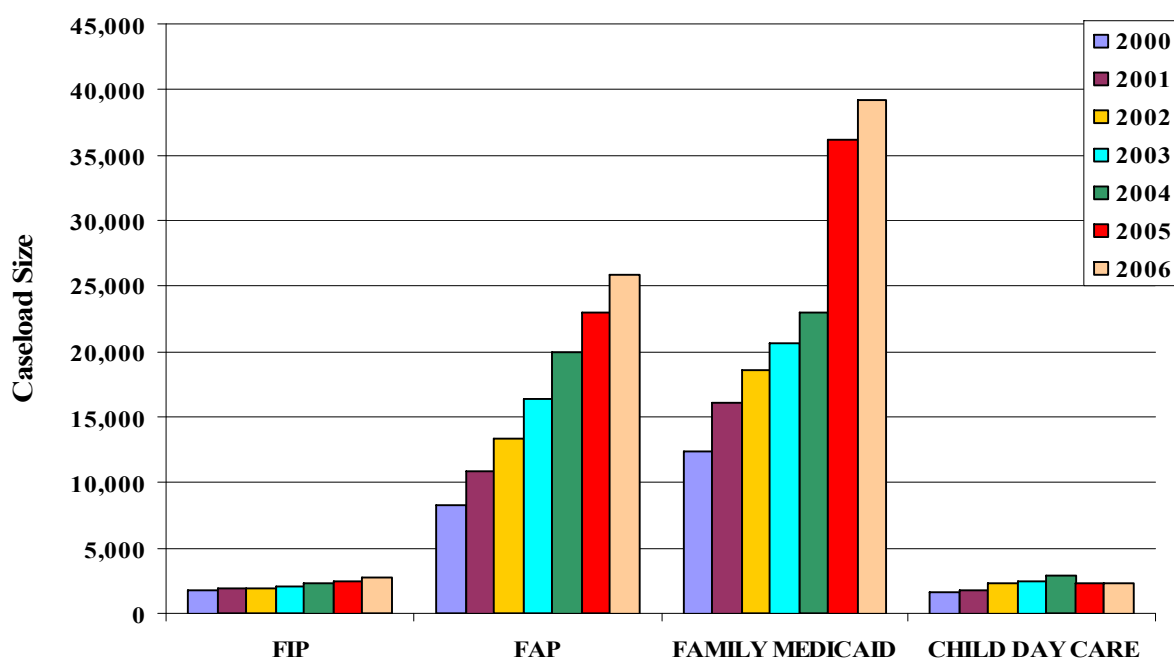
Table 27. Population and Case Load Trends in Michigan and Macomb County, 2000 – 2006

	Population	Family Independence Program (FIP) - Families	Food Assistance (FAP) - Households	Family Medicaid - Cases	Child Day Care - Cases
MACOMB COUNTY					
2006	832,861	2,734	25,883	39,234	2,403
2000	788,149	1,811	8,223	21,155	1,701
% Change	5.7%	51.0%	214.8%	85.5%	41.3%
STATE OF MICHIGAN					
2006	10,095,643	80,360	515,030	625,977	58,840
2000	9,938,444	74,780	261,843	440,504	61,691
% Change	1.6%	7.5%	96.7%	42.1%	-4.6%

Sources: Census Bureau and MI Department of Human Services (Publication 170 – Annual Program Statistics)

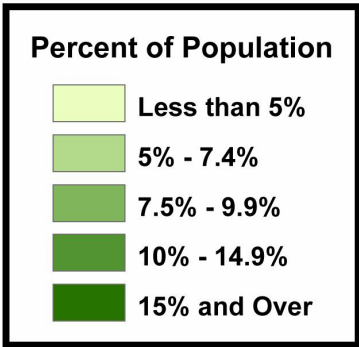
We complete the analysis of need with a 7-year look at DHS program caseloads in Macomb County. An analysis of the same four programs we covered in Table 27 shows a steady increase from 2000 through 2006 (with the exception of child day care which experienced a decrease in the last two years). Food Assistance and Family Medicaid cases have increased every year, with significant growth in just the last two years. Macomb County has yet to turn the corner from the economic downturn that began in late 2000 and, while the forecast is somewhat optimistic that the job picture will turn around, there is little expectation that service needs in Macomb County will begin to diminish in the near term.

Figure 22. Macomb County DHS Caseload Trends by Program Type and Year



Appendix

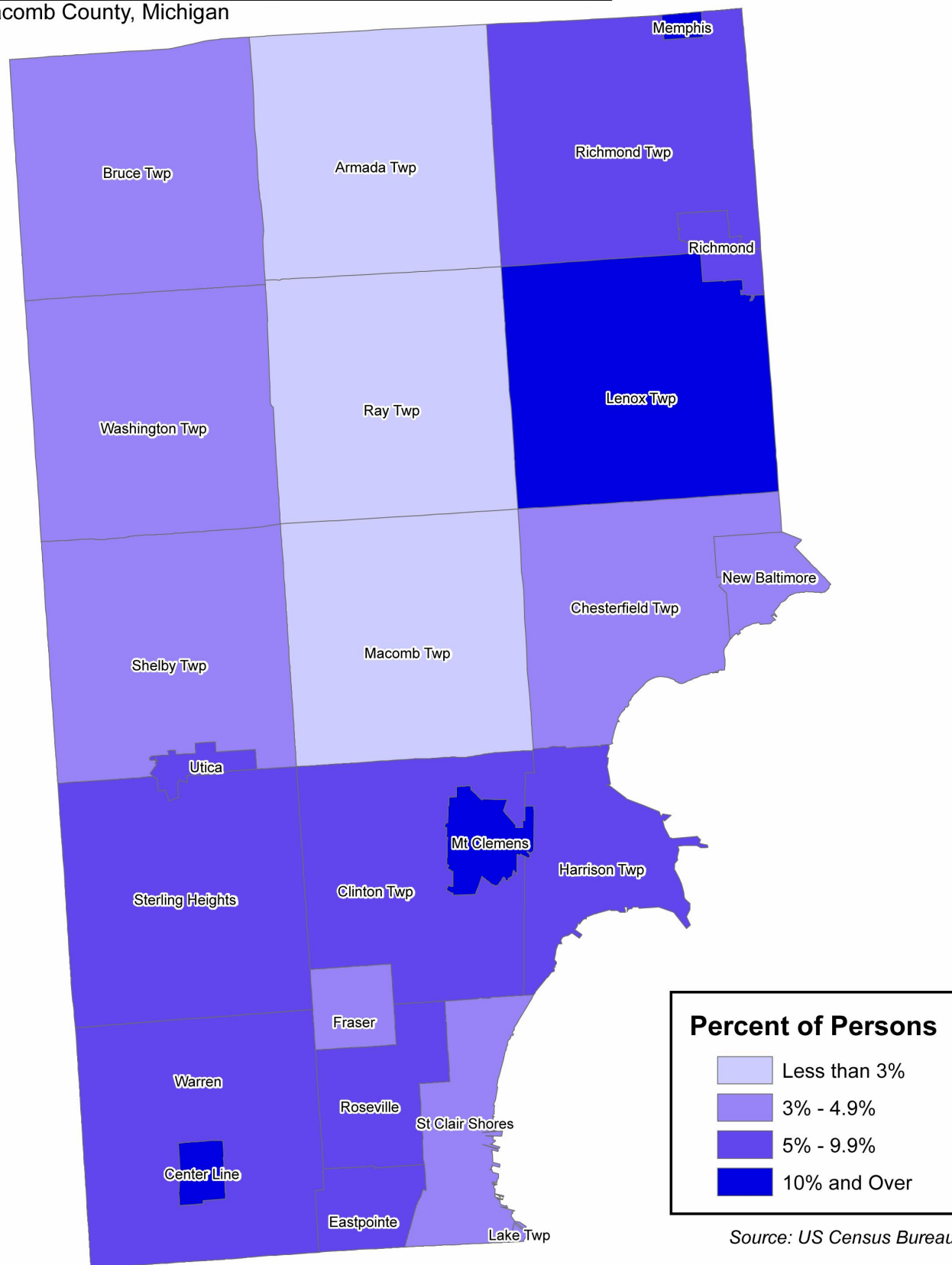
State of Michigan



Source: US Census Bureau

Persons Living Below Poverty

Macomb County, Michigan

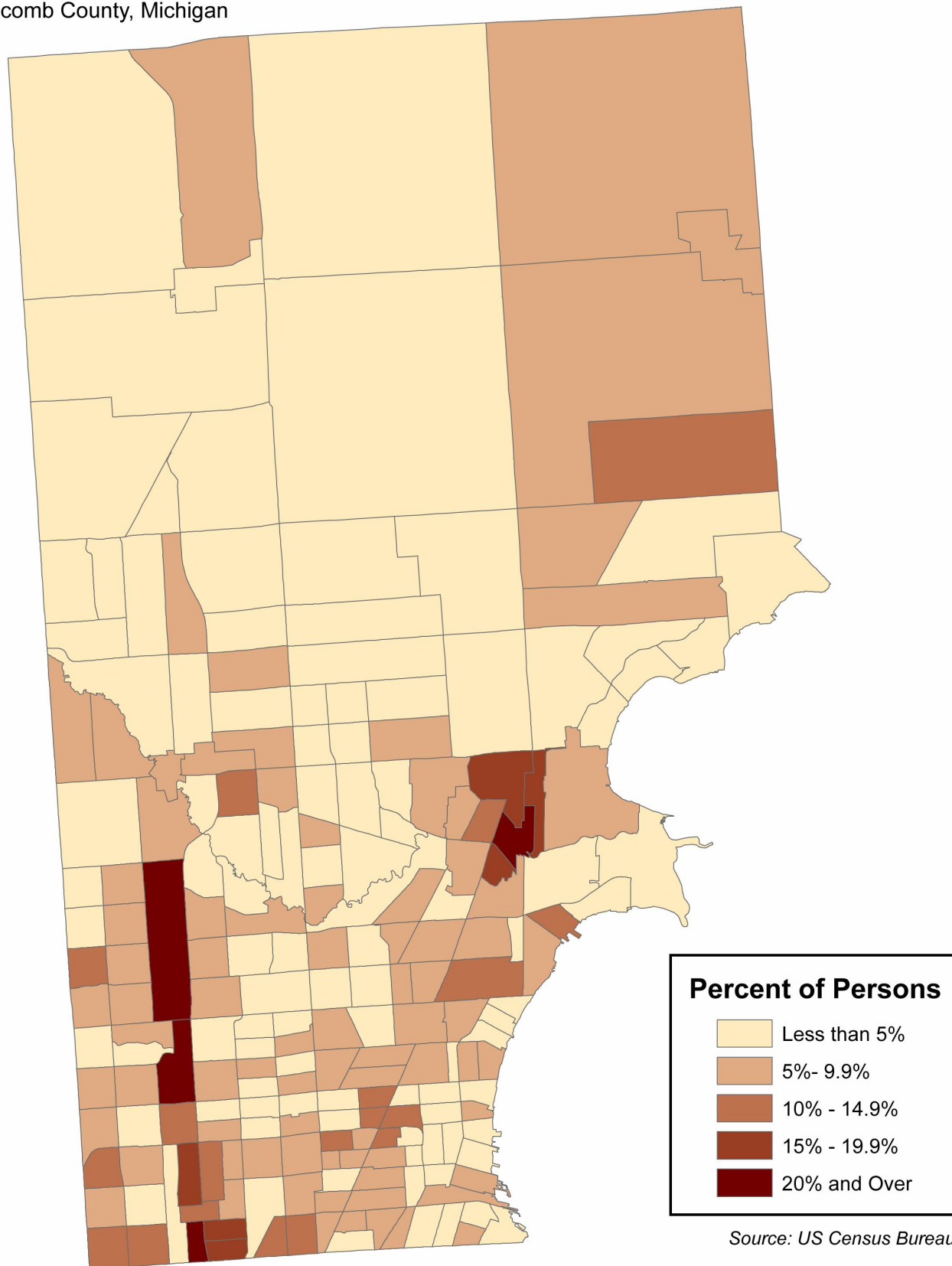


Source: US Census Bureau

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Persons Living Below Poverty

Macomb County, Michigan

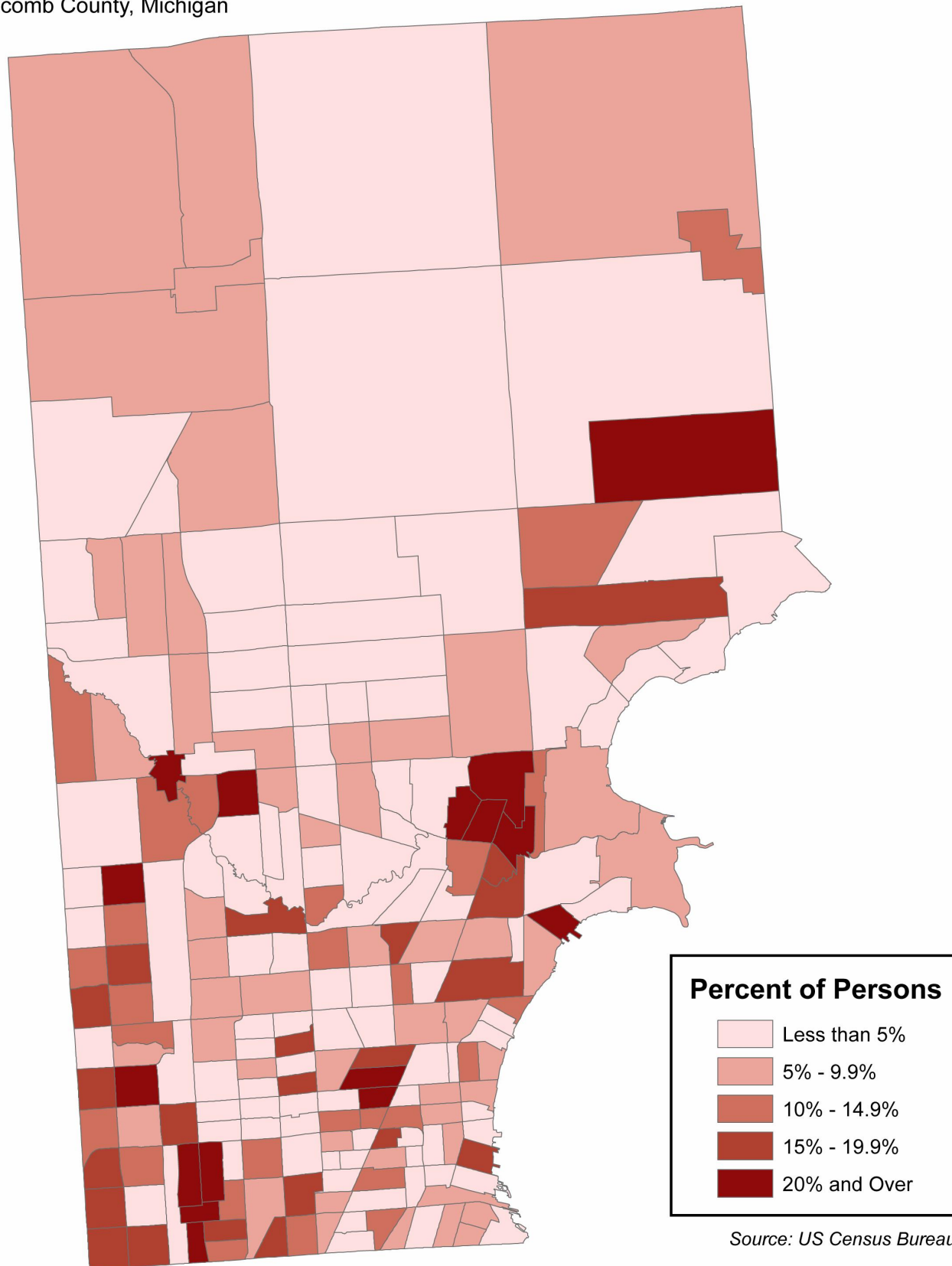


Source: US Census Bureau

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Persons, Under Age 5, Living Below Poverty

Macomb County, Michigan



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Macomb County Community Services Agency

VerKuilen Building
21885 Dunham Road Suite 10
Clinton Township, MI 48036
Phone: (586) 469-6999
www.macombcountymi.gov/mccsa



Directory of Services

Administration: (586) 469-6999
CDL Training Program: (586) 469-7998
Community Action Centers: (586) 469-5222
Continuum of Care: (586) 783-0916
Head Start: (586) 469-5215
Home Preservation/Energy: (586) 469-6329
IDA & ADDI Programs: (586) 469-7378
Macomb Food Program: (586) 469-6004
Senior Citizen Chore Service: (586) 469-5012
Senior Citizen Nutrition: (586) 469-5228
Transportation: (586) 469-5225

Macomb County Community Services Agency (MCCSA) programs and services are sponsored by the Macomb County Board of Commissioners and State and Federal grants.

MCCSA complies with the Civil Rights Act of 1964, the Michigan Handicappers Civil Rights Act, the Older Americans Act and the Americans with Disabilities Act of 1990. To inquire about reasonable accommodations for persons with disabilities, please contact MCCSA. All MCCSA programs, services, and activities will be provided equally without regard to race, religion, color, national origin, sex, marital status, age, or physical handicap/disability. TDD: (586) 469-5962.